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THE UNIVERSITY OF ALBERTA

MANAGEMENT AND FINANCE PLAN: A CASE STUDY OF PUBLIC POLICY MAKING IN ALBERTA EDUCATION

BY

VERONIKA E. BOHAC

A THESIS

SUBMITTED TO THE FACULTY OF GRADUATE STUDIES AND RESEARCH

IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE

OF DOCTOR OF PHILOSOPHY

DEPARTMENT OF EDUCATIONAL ADMINISTRATION

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ABSTRACT

The purpose of this case study was to analyze the processes involved in the development of the Management and Finance Plan by the Alberta Department of Education. This plan was intended to convert the provincial management system from regulation based to policy based, and to simplify the grants structure.

The processes were characterized by four emergent themes: (a) State of the system; (b) Performance of policy processes; (c) Policy actors; and (d) External environment and stakeholders. Each theme is comprised of two sub-themes. Contrasting the themes with selected policy models revealed that while the significance of the chief actors was often highlighted, the models did not provide a framework for considering leadership characteristics, or the relationships of the chief actors with the internal and external environments. These findings were subsequently compared with the findings of selected Alberta based case studies. The conclusions recorded in this study about the importance of chief actors, and the internal and external environments were similar to those of previous researchers. No models were found or proposed which would explain the relationships between these factors.

The major conclusion of this study was that the chief actors, and their relationships with the external and internal environments, influenced all stages of the policy making process. Communications were the chief means for managing the relationships. In practice, aspects of all three factors--chief actors, their relationships and their communication networks--were somewhat hidden from empirical scrutiny and analysis.

The number of implications were noted. In terms of theory, the incorporation of a framework for analysis of chief actors into policy models warrants consideration. Implications for research included investigation of the methods for applying a value model, tracing and study of communications networks, and investigation of the nature of the influence of interest groups on public policy as a function of western democratic political structures. In terms of practice, it

is evident that if the chief actors' values and motivations are such significant influencing factors in policy making, then the training programs for educational leaders must include components that focus on ethics as well as the examination of personal and organizational values.

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Chapter 1

THE NATURE OF THE STUDY

Introduction

Policy literature has shifted over the past two decades from using models inspired by political theories such as elite theory, group theory, and institutionalism--or by economic theories such as economic rationality--to models based on systems theory. Yehezkel Dror and Thomas Dye became prominent proponents of systems-based policy models. In his most recent book, Dror made the following assessment of developments in the policy literature:

> During the 15 years since this book was first published . . . no breakthroughs have occurred. While somewhat better data is available on some facets of policymaking and a few useful concepts have been developed (Dunn, 1981, surveys the field admirably with comprehensive bibliographies), no major advances in policymaking theory have taken place. (Dror, 1983:7)

Although policy analysis has indeed been primarily associated with models based on a systems perspective (Dror, 1968:163; Dye, 1978:9,37; Dunn, 1981:46; Van Horn and Van Meter, 1975:445-488), Dror might have been severe in his judgment. While new developments in policy analysis may not have been categorized as major, some significant contributions have been made. For example, the influence of the external environment and the significance of stakeholders and interest groups have been recognized, and more attention is being focused on the characteristics and motivations of policy actors. Dror (1968) recognized these issues while developing his optimal model; however, he did not focus on them in depth. Models such as that of Van Horn and Van Meter (1975), however, seem to indicate a trend toward focusing on policy actors and their relationship with internal and external environments.

Twenty years ago Dror was known for his enthusiastic support of policy studies and for his belief that research on policy making could improve the quality of public policy. Statements in his recent books (1983:11) reflect his disillusionment: "Policymaking is often oriented at high

aspiration, distinguished by intense commitments and characterized by result-focused consideration. At the same time, policy quality is often wretched." With this statement Dror might have been describing a real-life situation of the optimal model contaminated by the realities of organizational life. This statement is also a challenge for policy analysts to endeavor to understand the processes that occur when rational policy planning encounters organizational realities.

Statement of the Problem

Alberta Education has experienced a period of change in recent years; some of these changes were environmentally determined. During the time of economic growth in Alberta, funds for education were readily available, and the school grants structure was expanded to include a large number of specialized grants. By 1981 school boards began to voice their concerns over the complexity of the grants structure. This concern was further exacerbated by the sudden downturn in the provincial economy, which made the boom-time grants structure inappropriate. In 1982 the department was reorganized and a number of initiatives aimed at reforming the grants structure as well as the management system were introduced. In November 1983 the Management and Finance Plan (MFP) was launched. This plan was intended to convert the provincial management system from regulation based to policy based, and to simplify the grants structure. The development of MFP became the focus of this study. Specifically, the problem statement which guided this research was:

> By what processes was the Management and Finance Plan developed from its initial conceptualization to its pre-implementation form?

The problem statement was defined by the following research questions:

1. How and why was the Management and Finance Plan conceptualized and considered possible to implement?

2. What were the roles of the chief actors in the policy evolution and formulation processes?

3. To what extent did the context and environment influence the conceptualization and development of the Management and Finance Plan?

4. How did the Management and Finance Plan as conceptualized compare with the Management and Finance Plan as implemented?

5. To what extent are the policy making processes actually experienced in the field described in the literature?

The first four questions guided the research in investigating actual policy making processes, while the fifth question focused on a comparison of actual practical experience and policy literature, in order to identify the gaps in the literature to which Dror alluded.

In order to obtain a picture of the actual processes involved in the development of MFP, the study was conducted from the interpretive perspective:

> The interpretive paradigm is informed by a concern to understand the world as it is, to understand the fundamental nature of the social world at the level of subjective experience. It seeks explanation within the realm of individual consciousness and subjectivity, within the frame of reference of the participants as opposed to the observer of action . . . It sees the social world as an emergent social process which is created by the individuals concerned. (Burrell & Morgan, 1979:28)

The case study methodology was chosen as the one best suited for the interpretive paradigm and the type of data available. Yin (1984:20) defined the case study as a study where "a 'how' or 'why' question is being asked about a contemporary set of events, over which the investigator has little or no control."

Background to the Study

Prior to the introduction of the Management and Finance Plan, Departmental officials described the management of education as highly regularized. Compliance with regulations, procedures, forms, and the "pre-audit" of grant claims characterized the management philosophy. The regulations for grant claims, in particular, were extensive. In addition, grant forms sometimes required information which was not relevant for funding calculations. In some cases the grants were difficult to claim and administer.

The Management and Finance Plan (MFP) was intended to simplify the grants structure and to change the management philosophy from a regulatory to a policy based orientation. The intended consequences of this change in orientation were "increased flexibility and discretion to all levels of the educational enterprise" (Myroon, 1985:6) including considerable autonomy in the determination of how the programs would be delivered. Under regulatory management, school boards had limited discretion over the decisions about the type, nature, and mode of delivery of educational programs. Under policy management, however, school boards would have considerable discretion over these three areas, provided that their policies fell "within the intent and 'umbrella' of the provincial policy" (Myroon, 1985:7). Although the first visible changes due to MFP were related to the funding structure, MFP was intended to change the entire delivery component of the education system. In particular, a results orientation in the program delivery component gave rise to increased emphasis on evaluation. Table 1.1 shows the change in emphasis on various management strategies under MFP.

The general goals of MFP were presented in the Management Finance Plan Information Package (1984:5):

- Improved information on the results of educational planning available to students, parents, teachers, school jurisdictions and other educational agencies.

- Increased responsiveness by the total educational system to the changing needs of students and parents.

- Within policy directions established by the Province, increased local responsibility, autonomy, flexibility and discretion by school jurisdictions over the use of provincial funds to meet local needs.

- Increased accountability of both Alberta Education and school jurisdictions to the electorate.

- Increased efficiency and effectiveness in the use of limited public funds for the provision of education with the focus on providing benefits directly to students.

- Enhanced partnership among school organizations and Alberta Education in the planning and evaluation of educational results.

The goals listed above were pursued through the institution of provincial evaluation policies, new monitoring roles of Regional Offices, conversion of school board management

Table 1.1

Shift in Emphasis on Key Management Strategies

Management Strategies	Degree of Emphasis	
	Pre-MFP	MFP
Policies	Low	High
Guidelines	Low	High
Procedures	High	Medium
Regulations	High	Low
Grant Forms	High	Low
School Jurisdictions' Education Plan	Low	High
Audit	Low	Medium
Monitoring	Low	High
Evaluation	Low	High
School Jurisdictions' Annual Reports	Low	High

Adapted from: Alberta Education, *Management Finance Plan Information Package*, 1984, p. 10.

systems to a policy orientation, and simplification of the grants structure and the claim and payment process. The restructuring of the funding system was accomplished first while the other initiatives were phased in over a period of approximately two years. A simplified picture of the old and new grants structures is presented in Table 1.2.

Delimitations

1. The study addressed the development of the Management and Finance Plan from its inception in November, 1983 up to the official date of implementation on September 1, 1984. The evaluation of provincial implementation of the Management Finance Plan was not undertaken because it would have been far beyond the scope of this study and because it was phased in over a period of about two years; consequently, the necessary data were not available within the time frame for this study.

2. The primary sources of information were recorded materials such as memoranda, reports, minutes of meetings and news releases.

3. Secondary sources of information were semi-structured interviews with 13 chief actors. The chief actors were identified in MFP documents and their roles were verified by other interviewees.

4. The study focused on the processes of policy development, not on the content and quality of the policies. Because of the great number, complexity and specificity of the policies, their documentation and evaluation would have exceeded the scope of a single study. Where some knowledge of particular policies was required in order to understand the related policy making problems, a brief description is provided in this report.

Limitations

1. Some data were not available (e.g., classified documents, private notes, and discussions or negotiations between significant actors).

Table 1.2

Comparison Between Existing and Proposed Finance Plans

	Existing Plan		Proposed Plan	
A.	**School Foundation Program Fund**		**School Foundation Program Fund**	
	Per Pupil Grants--Instruction	$ 747.7M	Per Pupil Grants--Instruction	$ 775.6M
	Transportation and Boarding Grants	60.6M	Transportation and Boarding Grants	60.6M
	Administration Grants	24.3M	Debt Retirement and School Building Quality Restoration	130.5M
	Debt Retirement and School Building Quality Restoration	130.5M		
		$ 963.1M		$ 966.7M
B.	**Fiscal Equalization Grants**		**Equity Grant**	$ 48.7M
	Supplementary Requisition Equalization Grants	$ 28.4M		
	Private School Opening Grants to School Boards	.9M		
	Small Jurisdiction Grants	1.1M		
	Small School Assistance Grants	5.3M		
	Declining Enrolment Grants	2.5M		
	Location Allowance	1.0M		
	Incremental Grants to School Boards	5.1M		
	Corporate Assessment Grants	4.2M		
	Other Fiscal Equalization Grants	.2M		
		$ 48.7M		
C.	**Regular and Special Education Programme Grants**		**Special Need Grants**	
	1. **Regular Education & Special Prog. Grants**		1. **Pupil Needs**	
	Vocational Classes	$ 7.6M	Vocational Education	7.7M
	Extension Programmes	8.4M	Official Language Grant English as a Second Language	
	Research	.8M	Other Second Language Grants	3.9M
	Official Language Grant	1.1M	Extension Programmes	8.4M
	Interdepartmental Community Schools	3.8M	Early Childhood Services	51.3M
	English as a Second Language	2.5M	E.O.F.	20.4M
	Other Special Program Grants	.3M		
	Total Regular Education and Special Education Grants	$ 24.5M		
	2. **Special Education Grants**		**Special Education:**	
	Teachers of Special Classes	$ 33.2M	Per Pupil Grants	$51.7M
	Instruction in Schools for Retarded Children	4.4M	Institutional Support	11.3M
	Special Education Programme Unit Grants	14.3M	2. **General Needs**	
	Rehabilitation Aides	.2M	Interdepartmental Community Schools	$3.7M
	Sensory Multi-Handicapped	5.4M	Educational Research	.8M
	Other Special Education Grants	1.3M	Films for Libraries	.9M
	Total Special Education Grants	$ 58.8M	Inservice Education	---
				$ 160.1M
D.	**Other Sub-Programs**		**Other Support Programs**	
	Grants to Private Schools	$ 11.0M	Teachers' Pensions	$ 42.6M
	Grants to Early Childhood Programmes	51.3M	Grants to Private Schools	11.0M
	Educational Opportunity Fund (EOF)	20.4M		$53.6M
	Special Assistance to School Boards:			
	Teachers' Pensions	42.6M		
	Textbooks and Readers	3.6M		
	Films for Libraries	.8M		
	Computer Technology Administration	.1M		
	Learning Disability Fund Grants	4.2M		
		$ 134.0M		
TOTAL		$1,229.1M	TOTAL	$1,229.1M

Adapted from: Alberta Education Management and Finance Plan Information Package for January 10, 1984 departmental meeting.

2. The opinions and recall of the interviewees may have been influenced by their own role in relation to MFP as well as by their status in Alberta Education as an organization.

3. The interviewees may have attributed motives and explanations for particular events that might have been different from what really happened, in order to make sense of the data for themselves and for the researcher.

4. In order to protect the interviewees who are still employees of Alberta Education and still involved in the implementation of MFP, requests for confidentiality were granted. Consequently, some information was given to the researcher only on an "off the record" basis.

5. Access to some actors was limited or not possible because of circumstances such as geographic location and retirements.

6. Because of the time constraints and work intensity, not all meetings and working sessions were recorded; such information, therefore, could not be traced unless it was described by the interviewees.

7. Case studies are limited in their generalizability, therefore, a number of them must be done in a related area, such as public education in Alberta, before generally applicable conclusions can be drawn.

It is assumed that the readers of this study have some familiarity with the legislative and organizational structures and relationships of the education system in Alberta. The authority and responsibilities of the Minister, the school boards and stakeholder associations are therefore not specifically explained in this study.

Significance of the Study

In the Alberta context, the Management and Finance Plan is a significant initiative because it brought about philosophical and operational changes both at the provincial and the school board level. For practitioners, this study therefore derives its significance from its

subject. For those affected by the Management and Finance Plan, this study would be of interest as a historical documentation while for those involved in the development of the Management and Finance Plan, it might be useful as a basis for self-reflection.

Over the past several years a number of empirical case studies of public policy making in education have been done in Alberta. Since case studies have limited generalizability, it is necessary to collect a large number of such studies to offset this limitation and obtain a picture of educational policy making in Alberta. This study will add another facet to the composite picture. The conclusions drawn in this study are discussed in relation to the conclusions of previous empirical studies discussed in Chapter 6.

Policy and Public Policy Making Described in Literature

Definitions of policy are innumerable; most can be traced to a number of notable writers. Dye's (1978:3) now famous definition "Public policy is whatever governments choose to do or not to do" is a concise summary of the dynamic and complex interactions which finally result in the public act of implementation. The complexity of public policy making was stressed by Dror (1968:198) who noted: "Indeed, insofar as I am right in describing the public policymaking system as exceedingly complex and partly 'arbitrary,' a detailed specification of all its structural elements is inherently impossible." Dunn (1981:47) described public policies as "long series of more or less related choices (including decisions not to act) made by governmental bodies and officials." With a similar sentiment, Harman (1980) described policy basically as a course of action or inaction toward the accomplishment of an intended goal, and including both intended and unintended results. Anderson (1979:3) identified policy as a "purposive course of action followed by an actor or set of actors in dealing with a problem or matter of concern." Expanding on this them, Frohock (1979:12) stated:

> The most helpful way to see public policy is as a patterned attempt either to resolve or manage political disputes or to provide rational incentives to secure agreed-upon goals,

> with public policy issues capable of ranging far and wide over both material goods and ethical issues.

On a similar note, Downey (1977:135) succinctly describes the policy making process as one in which "the competing claims for intelligence or rationality and the free-play of influence or self-interest can both be accommodated."

Expanding on the relationship between public policy and politics, Dror (1968:12-13) proposed the following definition:

> Public policy is a very complex, dynamic process whose various components make different contributions to it. It decides major guidelines for action directed at the future, mainly by government organs. These guidelines (policies) formally aim at achieving what is in the public interest by the best possible means.

Lest such definitions leave the impression that policy making is an orderly, essentially rational process, some writers make concerted efforts to dispel such notions. Weiss (1982:295), for example, stated that "policies, even policies of fateful magnitude, often take shape by jumbled and diffuse processes that differ in vital ways from the conventional wisdom." Katz and Kahn (1978:281), with somewhat less restraint, concluded that "policies are the outcome of organizational infighting, mutual concessions, and coalition formation."

To emphasize the fact that policies are not usually made according to an orderly plan of action, Anderson (1979:92) stated that "policy is made as it is being administered and administered as it is being made." In apparent agreement, Edwards and Sharkansky (1978:7) concluded that "policy-making is an ambiguous, complex and conflictual process which cannot be broken down into neat categories."

The last two definitions use different points of view to explain the complexity of policy making. Kroll (1979:9,11) stated that

> One cannot separate a public policy from the milieu in which it is set. In any policy study, therefore, it is necessary to identify the general features and dynamics of the policy environment, as well as those particular factors which appear to have a direct bearing on the policy itself.
>
> In examining public policies in the totality of their environment three elements are of primary importance: patterns of values, ethical systems, and institutional arrangements.

> These elements are not static troughs for generalization. Values, ethical systems, and institutions change continually; their components may accrue, they may be abandoned, deleted; and certainly they shift in relation to each other.

Simmons et al. (1974:458), focusing on the interactive processes whereby policy decisions are made, claimed that:

> It is more easily understood if approached as networks of interaction processes within a total system, involving intermittently or continuously, the sub-systems of the legislature, the executive, the judiciary, independent agencies, interested pressure groups, individuals, or the mass impact of the larger community.

Each of the above attempts at describing policy or policy making provides a different facet of this complex process. Together, they present an eloquent testimony to the complexity of policy making, particularly of policy making in the public arena.

Policy Case Studies in Alberta

Fifteen policy case studies completed at the University of Alberta between 1974 and 1986 were identified as being closely related to this study. The studies are grouped according to the conceptual frameworks used: "early models," political system models, focus on interest groups, focus on implementation, focus on groups using "early models."

One group of studies began with the application of six policy making models (elite model, group model, rational model, institutional model, incremental model, and systems model) and ended by augmenting these models through adaptation or introduction of additional approaches. B. L. Bosetti (1986) analyzed the events that led to the formulation of the Alberta Secondary Education Policy. In addition to the six models she utilized the concepts of megapolicy, metapolicy, and political system. Stringham (1974) analyzed the processes and context associated with the writing of the 1970 School Act. He utilized contextual mapping in addition to the six models, and used the following five components to focus his study: policy analysis, megapolicy, metapolicy, realization strategy, and implicit policy. Taylor (1980) analyzed the policy making processes at the University of Calgary as an example of policy making systems that develop in response to stress in an organization's environment; a number

of other models were used in addition to the six, and these were used in the development of the Policymaking System (PMS) model. Allan (1985) applied Taylor's model in his study of educational policy making within a rural county, but adapted the model in the course of his study.

The next group of studies centered around conceptual frameworks with a political systems orientation. Seguin (1977) studied the policy planning and formulation for the Early Childhood Services program in Alberta. His conceptual framework, called the Expanded Rational Creative Action model, was adapted from the Rational Creative Action model and from the model of political process introduced by Easton. Seguin used a technique for assessing participant leverage in the policy process as part of his analysis. Fennell (1985) analyzed the political decision-making system and process involved in the determination of the Goals of Basic Education for Alberta as adopted in 1978 by the Legislative Assembly in Alberta. The conceptual framework for the study was based on two models of state politics of education. Three components of the political decision-making system in education were utilized in this framework: the institution of government and the groups and associations that attempt to influence government decisions; the power of the groups and associations to influence government and the processes and structures for interaction; and the policymaking focus of government and the political decision-making system. Alves (1985) analyzed the political and policy factors associated with the creation of the University of the Azores. His conceptual framework was developed from components derived from the political systems model, the concept of general environment, and from Dror's optimal model. Kunjbehari (1981) studied the relationship between politics and expertise in educational policy making, and developed a rational-political model of policy making. The applicability of his model was then tested on the case of a policy-making process involved in modifying the scheduling plan at the Archibishop Jordan High School (the Jordan Plan). Duncan (1986) set out to develop policy recommendations which would support the development and maintenance of an adequate pool of educational administrators for Alberta's basic education system. For this purpose, Duncan developed the

Causal Policy System Model based on the rational policy development model and various suggestions garnered from the policy literature.

The following three studies also had a political focus, particularly in relation to interest groups. The studies all used Simeon's (1976) framework for analyzing policy making. Chikombah (1979) analyzed the development of the 1977 extended practicum policy in Alberta teacher education and the contribution of the groups involved. A political systems model was adopted by Chikombah to describe public policy making subjected to demands by interest groups. Kozakewich (1980) investigated the degree of success experienced by interest groups in having their recommendations reflected in the policies formulated by a royal commission. He used the group model and Simeon's framework for his analysis. Long (1979) relied primarily on Simeon's framework in the analysis of the development and resolution of the transferability issue in Alberta institutions of higher learning.

The following two studies were concerned with policy implementation and used adaptations of the model developed by Van Horn and Van Meter (1977). Letourneau (1981) analyzed the implementation of the policy to create a French language teacher training institute in Manitoba. To facilitate the analysis, Letourneau adapted Van Horn and Van Meter's model by adding four categories to describe the implementation process. Tymko (1979) investigated the implementation of the public policy on accreditation of Alberta senior high schools. Once again Van Horn and Van Meter's model was augmented with components of a number of other models, this time creating a conceptual framework with 10 policy variable clusters to describe the policy implementation process.

Finally, Sloan (1980) reviewed the development of a public policy in his study of legislation which permitted public and private school authorities to enter into agreements for the provision of educational services. The analysis focused on these areas: inputs of interest groups, influence, gatekeeper structures, the political process and the implementation of policy. In addition to the six models used by the first group of researchers above, Sloan used the

optimal model and game theory model to construct his model of policy making. Sloan also made observations about policy implementation.

Those conclusions reached in these studies about education policies and policy models are discussed and compared with the conclusions of this study in Chapter 6.

Definition of Terms

The following three terms were defined by Alberta Education and presented in the early drafts of the Program Policy Handbook and the early Management Finance Plan Information Package (1984:109).

Policy: "A policy is a philosophically based statement which is goal oriented and establishes the direction for future discretionary action."

Guideline: "A guideline further defines the framework within which the organization can discharge the policy with positive direction. It tells what is wanted. It may also indicate why and how."

Procedure: "A procedure is a statement of who does what, how and in what sequence. Procedures may be either mandatory or discretionary."

The following two definitions have been coined by Dror (see Chapter 2). These terms were used in the definition of the Management and Finance Plan in this study.

Megapolicy: Master policy, providing guides for a set of discrete policies--deals with overall goals, assumptions on futures, risk evaluation, and degrees of innovation.

Metapolicymaking: Policymaking on how to make policy. It manages the policymaking system as a whole through:

a. identifying problems, values, and resources, and allocating them to different policymaking units;

b. designing, evaluating, and redesigning the policymaking system;

c. determining the main policymaking strategies.

Megapolicy and metapolicy in Alberta Education: The Deputy Minister developed a megapolicy which was intended to change all aspects of the education enterprise in the province. The new education system would be results-oriented and focused on students. Decisions would be made at the most appropriate levels and considerable discretion would be granted within provincial policy parameters. The main components of the education system targeted for the change were legal (School Act), curricular (Secondary Education Review), and operational (Management and Finance Plan). By virtue of its function in the megapolicy, the Management and Finance Plan was a metapolicy which was intended to change the provincial management orientation from regulatory to policy-driven.

The remaining terms, used throughout this report, were defined as follows:

Public policy: Product of government activity as it attempts to respond to forces from the external and internal environments, which include constraints of time, resources and politics. The distinguishing feature of public policy, as opposed to private sector policy, is its complexity.

Stakeholder groups: Associations of organizations that have involvement and vested interests in the education system in Alberta. These include, for example, the Alberta School Trustees' Association (ASTA), Alberta Teachers' Association (ATA), Conference of Alberta School Superintendents (CASS), Association of School Business Officials of Alberta (ASBOA) and others.

Resident pupil count: Payments of grants based on the total number of pupils resident in a school jurisdiction multiplied by a flat rate per student per year.

Pupil served count: Payments of grants based on the number of pupils enrolled in a particular program multiplied by the rate per year for that particular program.

Organization of the Report

Chapter 1 introduced the study and the problem statement with its attendant research questions. The background description of the study, a number of delimitations and limitations

were outlined, concluding with a brief comment on the assumption underlying the manner in which this study is reported. The significance of the study for practice and research was then discussed. Definitions of specialized and frequently used terms were provided. In addition, various views of policy making from the literature were presented.

Selected policy models are reviewed in Chapter 2. A historical cross-section of models is presented, with particular emphasis on the systems-based models of policy making. The models are reviewed in order to provide the basis for subsequently addressing one of the research questions.

Chapter 3 is comprised of a discussion of the interpretive theoretical orientation and the naturalistic research paradigm, and methodology. Data collection, analysis and trustworthiness are discussed in some detail.

The case study of MFP development is presented in Chapter 4. The development process exhibited the following identifiable phases: problem sensing, issues definition, conceptual framework of policy space, policy planning and deliberation, resource mobilization and alignment, policy structuring, policy feedback and review, and implementation planning. The content of this chapter addresses the first four research questions.

The analysis of the case study is reported in Chapter 5, which endeavors to answer the fifth research question. Four emergent themes are identified and contrasted with models of policy making. Those themes that were addressed inadequately by the models are identified. The themes are further illustrated by selected examples of the interviewees' reflections and assessments of the events that transpired during the development of the Management and Finance Plan. A model focusing on the chief actors' motivations and leadership characteristics is then discussed as a potential instrument for addressing the issues that were highlighted by the interviewees and identified as being addressed inadequately by theory. The chapter ends with a discussion of the difficulties of addressing these issues empirically.

Chapter 6 contains a summary of the report. The conclusions are then discussed and compared to the conclusions of various other empirical studies of educational policy making in Alberta. The chapter concludes with implications for theory, research and practice.

Chapter 2

REVIEW OF POLICY MODELS

A review of policy models is presented in two parts. In the first part, models of politics which were applied to policy making are briefly reviewed. In the second part, models of the policy processes based on a systems perspective are described. Particular attention is given to the models of policy making, since those are most closely related to this study. The chapter concludes with some general comments about the related literature.

A. NORMATIVE AND POLITICAL SCIENCE MODELS APPLIED TO POLICY MAKING

Several reviews of policy literature (Dror, 1968; Dye, 1978; Yeakey, 1983) include the models described below. Each reviewer appraised these models differently. Dror (1968:131) categorized the models that he reviewed as "normative." Dye (1978:19), reviewing the same models and adding three more, stated that each model "identifies a major conceptual approach to politics which can be found in the literature of political science." Dror felt that the origins of the models were far more eclectic, coming from economics and "inter-disciplines" such as administrative science and planning studies. Yeakey's (1983:255) comments echoed those of Dror: "Policy research is a relatively new phenomenon whose constituent parts have historical antecedents in other disciplines. Policy research has evidenced uneven development across the social sciences because research among the social sciences has been characteristically uneven." More specifically, Yeakey (1983:262) observed that: "There is no single body of policy theory. Because of the obvious relationship between policy and decision making, policy research utilizes decision theory, diverse theoretical approaches, and models which analyze political behavior and theoretical contributions from original analysis."

The Pure Rationality Model

This model, also known as Rational Decisionmaking Theory or Rational Comprehensive Model, implies that actions are based on completely rational decisions. This model is "often presented as the universally ideal pattern for decisionmaking that should be approximated as closely as possible" (Dror, 1968:132). According to Dye (1978:28) the criterion for rationality in this model is defined as efficiency. The more rational the policy, the higher the net value achievement. Dye defines net value achievement as a situation where "all relevant values are known, and that any sacrifice in one or more values that is required by a policy is more than compensated for by the attainment of other values."

The steps of the model are taken from Dror (1968:132) and Dye (1978:28):

1. Establish a complete set of operational goals, with relative weights allocated to the different degrees to which each may be achieved. (Dror)
2. Know all the society's value preferences and their relative weights.
3. Know all the policy alternatives available.
4. Know all the consequences of each policy alternative.
5. Calculate the ratio of achieved to sacrificed societal values for each policy alternative.
6. Select the most efficient policy alternative.

This model assumes that policy makers are able to know and weight all the value preferences of society as a whole, as well to foresee accurately the consequences of alternate policies. Dror (1968:133) concluded that

> with a few exceptions (some very important), pure-rationality policymaking is in fact impossible . . . Constructing complete, weighted inventories of value and resources, identifying all alternatives, making valid predictions of the costs and benefits of all alternatives--these tasks are far beyond our knowledge and capacity.

Yeakey (1983:263) presented a number of criticisms of the model. She noted that, unlike the assumption underlying the model, problems facing policy makers are seldom clearly defined. Further, in this model policy makers are expected to be infallible with respect to the

selection of information for problem analysis, accurate prediction of consequences, and cost-benefit comparison of alternatives. Similarly, knowing society's value preferences and their relative weights is humanly impossible. Value conflict and value consensus cannot be precisely measured, separating fact from value is difficult. This model also seemed to assume that policies are made in a vacuum. Yeakey noted, for example, that unrestricted choice of alternatives is not possible. Investments in existing policies (sunk costs) may preclude consideration of many alternatives. Yeakey concluded that the policy nature of policy making is disregarded in this model.

The Economically Rational Model

Dror (1968:141) coined this term to describe those models which are only as rational as is economical. Dror described two variations of the economically rational model: the sequential-decision model, and the incremental-change model.

The Sequential-Decision Model. This model was designed by the RAND Corporation to deal with situations where the information needed for successful implementation of a program is not available until the early stages of implementation. The model calls for simultaneous implementation of the more promising alternatives up to the point at which information is generated about which alternative is the best. The decision to proceed with full implementation is delayed until this point when the crucial information is learned. Dror (1968:143) commented on the utility of this model:

> . . . sequential decisionmaking may provide a way out of having to either make policy under extremely uncertain conditions or not make policy at all. When initial uncertainty is high, when different paths can be tried out at the same time in order to learn important information from their first stages, and when time is at a premium, then the sequential-decision can be an important guide.

This model appears to be suited to situations where the policy makers have considerable autonomy of decision makers, such as might be found in scientific or military enterprises, where the public is not as directly involved as in education, for example.

The Incremental Change Model. Charles Lindblom's model has been devised in order to address a particular trait of human nature described by Dror (1968:144):

> . . . the more different an alternative is from past policies, the more difficult it is to recruit support for it, that is, the smaller its political feasibility is. Since radically innovative policies have a large chance of having unexpected and undesirable consequences and of being unfeasible, this model says policy-making should be basically "conservative," and should limit innovation to marginal changes.

Public policy according to the incremental model, therefore, is a continuation of past government activities with only incremental modifications. Such modifications include consideration of additional new policies, and increases, decreases or modifications of existing programs.

Established programs and policies are legitimated as a base from which incremental decisions are made. Dye (1978:33) proposed a number of reasons for this. He noted that policy makers do not have the time, intelligence, or money to investigate all the alternatives to existing policy. Further, there may be heavy investments (sunk costs) in existing programs which preclude any radical change. Completely new or different policies are also risky because of the uncertainty about their consequences, which tends to confirm that incrementalism is the politically expedient approach to change.

Both Dror and Dye agreed that the incremental model described the actual behavior of policy makers much better than the pure-rationality model.

Yeakey (1983:265) cited Schoettle's (1968) eight characteristics of disjointed incrementalism:

1. Choices are made in a given political universe, at the margin of the status quo.
2. A restricted variety of policy alternatives is considered, and these alternatives are incremental or small changes in the status quo.
3. A restricted number of consequences are considered for any given policy.
4. Adjustments are made in the objectives of policy in order to conform to given means of policy, implying a reciprocal relationship between ends and means.
5. Problems are reconstructed or transformed in the course of exploring relevant data.
6. Analysis and evaluation occur sequentially, with the result that policy consists of a long chain of amended choices.
7. Analysis and evaluation are oriented toward remedying a negatively perceived situation, rather than toward reaching a preconceived goal.

8. Analysis and evaluation are undertaken throughout society; that is, the locus of these activities is fragmented or disjointed.

While this model might frequently characterize policy making in "real life" settings, Dror (1968:143) warned: "If it is accepted uncritically, it can be very dangerous, since it offers a 'scientific' rationalization for inertia and conservatism."

Bounded Rationality Model

March and Simon developed this model and introduced the term "satisficing." The model maintains that decision makers simplify problems and alternatives in order to manage them. These simplifications, described by March and Simon are cited by Yeakey (1983:264):

> The simplifications have a number of characteristic features: (1) Optimizing is replaced by satisficing--the requirement that satisfactory levels of the criterion variables be attained. (2) Alternatives of action and consequences of action are discovered sequentially through search processes. (3) Repositories of action programs are developed by organizations and individuals, and these serve as the alternatives of choice in recurrent situations. (4) Each specific action program deals with a restricted range of situations and a restricted range of consequences. (5) Each action program is capable of being executed in semi-independence of the others--they are only loosely coupled together. (March & Simon, 1958:169)

This model shows that the best quality that can be actually achieved in decision making is only the satisfactory level. Dror (1968:147) described the model as a sequence of steps. The obvious alternatives are identified first, based on recent policymaking experience and evaluate their expected payoffs against a criterion of satisfaction. If the payoff from the first alternative meets the criterion level for satisfaction, that alternative is implemented without looking further. However, if the first obvious alternative does not provide satisfactory payoff, the rest of the alternatives are examined sequentially and the search stops with the next satisfactory alternative.

If none of the obvious alternatives give satisfactory payoff, a wider search for alternatives is then undertaken. Should a satisfactory alternative still not be found, the criterion for satisfaction would be lowered and the existing alternatives would be examined again.

Dror (1968:148) concluded that this model presents a realistic view of policy making in organizations.

> Put in a more normative form, the satisfying model states that, because of human inertia and the strength of conservative forces in organizations, it is hard to achieve even the satisfactory quality, the big danger being that in fact the search for alternatives will stop earlier, and the standard for satisfaction be lowered accordingly.

As noted earlier, this model is applied to a restricted range of situations and consequences. The only factors affecting policy makers are limited time and ability. Public policy issues generally occur at a level where many more factors must be considered.

Mixed Scanning

Mixed scanning is an approach suggested by Etzioni (1967). It is an approach which suggests that a policy maker should maintain a broad overall awareness of issues in addition to focusing sharply on a particular issue. The concept of "environmental scanning" has since been associated with many variations of the systems model.

Yeakey (1983:266) evaluated mixed scanning thus:

> Mixed scanning is said to accommodate both fundamental and incremental decisions and provide for overarching, fundamental, policy-making processes that set basic directions and marginal policies. Although Etzioni does not detail how mixed scanning would be operationalized, he does alert us that decisions vary in their magnitude, scope and impact, and that as the nature of the decisions varies, the decision processes utilized to formulate those decisions also vary.

This approach is typical of large government departments where there are too many issues for the Deputy Minister to be able to follow in detail.

Game Theory

Dye (1978:34) suggested that the perspective of game theory can be used to portray policy as rational choice in competitive situations. Game theory addresses situations where two or more participants have choices to make and the outcome depends on the choices that each player made. As Dye (1968:35) explains it:

> Game theory is an abstract and deductive model of policy making. It does not describe how people actually make decisions, but rather how they would go about making decisions in competitive situations if they were completely rational. Thus, game theory is a form of rationalism, but it is applied in *competitive* situations where the outcome depends on what two or more participants do. The rules of the game describe the choices that are available to all the players.

To study the decision behavior, choices are plotted on a matrix. In the simplest case, with two players and two choices each, there would be four possible outcomes. The payoffs for each choice are usually represented by numerical values. The actual outcome depends upon the choices made by both player A and player B. Since the key concept in game theory is strategy, it can be used as an analytical tool in policy decisions about war, international diplomacy, and similar issues.

The Extrarational Model

Dror (1968:149) noted the potential for the Extrarational Model when he analyzed game theory and discovered that purely rational decisions in a situation where choices of both participants affect the outcome can lead to unwanted outcomes. Dror used the illustration of the "Prisoner's Dilemma" game situation to show the limitations of pure rationality and the necessity of "extrarational" components in policy making. What Dror labelled the Extrarational Model essentially consists of an assertion that policy makers do and should use extrarational components such as "hunches" or intuition. Since these components are difficult to identify, Dror (1968:151) pointed out some obvious problems of application:

> If we knew the characteristics of the extrarational processes, which perhaps include many different and separate processes with different specific features we could allocate them defined roles in optimal policymaking, depending on whether their net output in a certain case is higher than that of "more rational" methods. Since we don't know even that much about extrarational processes, we have no way, even in theory, to decide what their optimal role in policymaking might be. But we should not, on that account, underestimate their importance.

Dror's assertion about the use of extrarational processes is an important reminder that policy making involves people and that human behavior can sometimes be better understood or anticipated through extrarational means.

Functional Process Theory

Yeakey (1983:268) cited Lasswell's (1956) functional elements of the process of policy formation:

1. Intelligence: How is the information on policy matters that comes to the attention of policymakers gathered and processed?
2. Recommendation: How are recommendations (or alternatives) for dealing with a given issue made and promoted?
3. Prescription: How are general rules adopted or enacted, and by whom?
4. Invocation: Who determines whether given behavior contravenes rules or laws and demands application of rules or laws?
5. Application: How are laws or rules actually applied or enforced?
6. Appraisal: How is the operation of policies, their success or failure appraised?
7. Termination: How are the original rules or laws terminated or continued in modified or changed form?

Yeakey (1983:268) noted that this model encompasses more than a decision process, since it entails implementation and evaluation, i.e., a course of action rather than just a decision. On the positive side, Yeakey observed that "this scheme is independent of particular institutions or political arrangements and lends itself readily to a comparative analysis of policy formation. One can inquire how different functions are performed, to what effect, and by whom." That same isolation from the environment and focusing on the processes is one of the model's deficiencies however, since it doesn't take into account political and environmental influences which can have input into the policy process at many points.

Elite Theory

This theory claims that the few govern the many: public policy is determined by a ruling elite and implemented by public officials and agencies. According to Dye (1978:26), "Elite theory suggests that 'the people' are apathetic and ill-informed about public policy, that elites actually shape mass opinion on policy questions more than masses shape elite opinion. Thus, public policy really turns out to be the preferences of elites." Dye noted that, according to this theory, society is divided into the few who have power and the many who do not. Thus, only a small number of persons allocate values for society; the masses do not decide public policy. The few who govern are not typical of the masses who are governed since elites are drawn disproportionately from the upper socioeconomic strata of society. The membership in the governing group is carefully monitored. The movement of nonelites to elite positions must be slow and continuous to maintain stability and avoid revolution and only nonelites who have

accepted the basic elite consensus can be admitted to governing circles, because elites assume the authority to share consensus in behalf of the basic values of the social system and the preservation of the system. In America, the bases of elite consensus are the sanctity of private property, limited government, and individual liberty. Public policy, therefore, does not reflect demands of masses but rather the prevailing values of the elite. Changes in public policy, consequently, are incremental rather than revolutionary. Action elites are subject to relatively little direct influence from apathetic masses; as a result, elites influence masses more than masses influence elites.

Group Theory

According to Yeakey (1983:267), group theory assumes that interaction and struggle among groups is a fact of political life. Individuals are only significant as representatives of a group. Public policy, then, is the product of group struggle. Opposing factions balance each other out to establish equilibrium.

Dye (1978:23) described how the political system carries out its task of managing group conflict. Rules of the game are established in the group struggle, thereby allowing for the arranging of compromises and balancing of interests. The compromises are enacted in the form of public policy and enforced as law.

Weeres (1984:8) strongly challenged this theory, which claims in essence that the preferences of citizens are in balance (at least in the long run) with governmental decisions and policies. Weeres reviewed the history of the development of this theory and concluded that since there was an unequal input into government decisions, there was an unequal output in terms of government policies. Weeres' arguments were as follows (1984:8):

In the late 1950s, the economic trend of more equal overall income distribution was being used by social scientists as a proof that the United States was becoming a more just society.

> All of this evidence reinforced support for the hypothesis that citizens could easily convert preferences into collective political action, because if the outputs of government

> were being more equally distributed, and the underlying model of politics was an equilibrium one, then the inputs into that system--namely, political demands--must also be adequately reflecting the preferences of all the citizens.

Weeres noted that by the mid 1960s, empirical evidence argued against the above hypothesis:

> Scholars found inequalities in the administration of the draft, zoning ordinances, tax laws, public school expenditures, and a host of other policy output areas. This inequality on the output side meant that there had to be inequality in the capacity of citizens to express their preferences through collective action.

The originators of the theory apparently defended it with the argument that poor people wanted less because they were contented with less, and that was the reason why they got less. The urban riots of the mid 1960s contradicted that notion. By that time scholars discovered that the poor participated less in the political process than the rich. Weeres (1984:8) summarized the scholars' conclusions:

> The capacities of individuals to mobilize resources to exert collective action are not equally distributed. The poor typically have fewer such resources than the rich. Inequality in resources, therefore, is likely to lead to inequality in the mobilization of collective actions, which, in turn, will produce inequality in the distribution of governmental outputs.

Weeres' observations about unequal representation do point to the problems inherent in the model, however, the notion of interest groups struggling to influence politics does seem to reflect actual political processes.

Institutionalism

Yeakey (1983:269) defined an institution as "a set of regularized patterns of human behavior that persists over time." Dye (1978:20) noted that since public policy is authoritatively determined, implemented, and enforced by governmental institutions, the relationship between public policy and governmental institutions is very close. Dye (1978:20) noted that "a policy does not become a *public* policy until it is adopted, implemented, and enforced by some governmental institutions." According to Dye, governmental institutions impart three characteristics to government policy:

1. Government gives legitimacy to policies.

2. Government policies are universal.

3. Government alone can legitimately use coercion (i.e., imprison violators).

The institutional model suggests that institutions (i.e., structured patterns of behavior) may affect the content of public policy. Institutions may be structured in such a way that they facilitate certain policy outcomes and obstruct others. They may give advantage to certain interests in society and withhold advantage from others.

Dye advised caution in applying this model (1978:21-22):

> It is important to remember that the impact of institutional arrangements on public policy is an empirical question that deserves investigation. Too frequently, enthusiastic reformers have asserted that a particular change in institutional structure would bring about changes in public policy without investigating the true relationship between structure and policy . . . We must be cautious in our assessment of the impact of structure on policy. We may discover that both structure and policy are largely determined by environmental forces.

Institutional Isomorphism

While the above model postulated that institutional structures affect the outcomes of policies, institutional isomorphism is based on the assumption that institutional structure can affect the amount of power that an organization has. Unlike the above model, institutional isomorphism gives importance to environmental influences.

Isomorphism could be compared to evolution. It is a constraining process that makes organizations operating in the same environments similar in structure, function and policy. Competitive isomorphism, like evolution, is exhibited in two ways: organizational environments select out less efficient forms, and the "survivors" learn to optimize their organizations in order to compete efficiently in those environments.

Weeres (1984:11) noted that "Weber argued that the greater the degree of economic competition, the more organizations would be the same." In the case of institutional isomorphism, the payoff is political power, legitimacy, and status quo instead of economic efficiency.

Weeres listed three homogenization processes (1984:11). In the coercive process isomorphism results from common legal, cultural, and hierarchically structured environments. The mimetic process produces isomorphism when executives respond to uncertainty by modeling their organizations after higher status organizations within the organizational field. Normative process gives rise to isomorphism as a result of professionalization which brings into organizations personnel who share common professional norms and perceptions.

Resource Dependency

According to this theory, political behavior is a function of dependency on external resources. Therefore, the greater the need for the resource and the larger the amount of the resource provided, the greater the dependency and the lesser the autonomy.

In terms of behavior, Weeres (1984:9) stated:

> The theory predicts that organizations (or governments) will comply with participants when those actors supply resources that the organization needs for its survival and when no suitable substitutes can be found. Actors, in turn, will seek to manage resource dependencies and enhanced their bargaining positions vis-a-vis other organizational participants.

Weeres concluded that this approach offers many potential practical applications to the politics of education.

Government Control as Organization Framework

According to Mitchell (1984, 1985) the essential meaning of the term "policy" arises from its role in resolving two fundamental human conditions: scarcity and conflict. Mitchell observed that most definitions found in literature fall into one of four generic types, reflecting four alternative views of the role of government in coping with these fundamental human problems. Mitchell traced these four alternative views to four basic mechanisms of social control. As can be seen in Figure 2.1 each of these four views provides a unique perspective on the problems of conflict and scarcity (Mitchell, 1984:142-145):

Structuralism and exchange theory accept scarcity as given and concentrate on the problem of conflict. Conflict is assumed to be amenable to control or elimination through

	Theories of government as conflict management: Presume Scarcity and try to Manage Conflict	Theories of government as service delivery: Tackle Scarcity in order to Reduce Conflict
Theories of Direct Public Control (Definition of Policy)	STRUCTURALISM Regulate Social Institutions, Control Power, Support Equity ("What governments do." -- Dye, 1972)	FUNCTIONALISM Set Courses of Collective Action Control Purposes, Support Quality ("proposed course of action . . . to reach a goal" -- (Freidrick, 1963)
Theories of Indirect Public Support for Private Action (Definition of Policy)	EXCHANGE THEORY Influence over Private Actions, Control Contracts, Support Liberty ("Regulation of private activity" through subsidy, regulation, or manipulation -- Ripley, 1966)	INTERACTIONISM Encouragement of Private Expression, Control Problem Definition Support Competence ("Conscious attempt to find constructive responses" to problems. -- NAE, 1969)

Figure 2.1

How Four Theories of Governmental Action Approach the Definition of Policy
(Adapted from: Mitchell, 1984:143 and 1985:31)

appropriate public or private action. Policy definitions developed within these two perspectives highlight the forces responsible for social conflict and seek to specify mechanisms or processes for controlling them. Functionalism and symbolic interactionalism treat scarcity as the central, and at least potentially manageable problem. Policy definitions developed on the basis of these two perspectives give conflict a less prominent place. They assume that cooperation and consensus are more natural than conflict and that collective actions are rooted in shared values or directed toward common goals.

Policy definitions falling within each of the four perspectives also differ because they treat the problems of conflict and scarcity either as directly affected by public decisions or as indirectly affected by public regulation of private actions. Structuralist conceptions of policy emphasize the reduction of conflict through direct regulation of social institutions. The use of governmental policy to regulate is seen as a reflection of how power is (or should be) distributed in society. Functionalism seeks direct control over scarcity by using policy to pursue identifiable public purposes or goals. The ability of government to set policy is seen as dependent on its ability to define and articulate public purposes. Exchange theories conceptualize policy as a vehicle for influencing private choice. By controlling the right to enter into contractual relationships and by enforcing contracts once they are made, exchange policies aim to channel individual and group behavior toward public purposes. The interactional paradigm conceptualizes policy as a matter of encouraging private citizens to express appropriate beliefs and actions. Interactionists recognize the importance of ideological and symbolic leadership by governmental policy makers. Interactionism tends to identify competence as the preeminent social value.

B. The Systems Models

The models reviewed thus far recorded the progression from rational models to incrementalism as theorists attempted to analyze the policy processes observed in practice. The next significant perspective for policy making evolved from the systems theory. Various

adaptations of policy models based on the systems perspective have been developed to describe both the formulation and implementation stages of policy. A survey of both policy making and policy implementation models follows a brief description of a systems model "prototype."

A Systems Model

The most basic version of the systems model was described by Easton (Figure 2.14) and later by Dye (1978:37-39) who provided a description of the political system model based on that of Easton. Basically, a system has recognizable boundaries that distinguished it from the environment. Inputs are received from the environment and released outputs are released into the environment.

Dye (1978:38) defined three components of a political system--the system, inputs and ouputs. The system is an identifiable set of institutions and activities in society that function to transform demands into authoritative decisions requiring support of the whole society. The elements of the system are interrelated. The system can respond to forces in its environment and does so to preserve itself.

Inputs were described as either demands or supports. When individuals or groups, in response to real or perceived environmental conditions, act to affect public policy they produce demands. When individuals or groups accept the outcome of elections, obey the laws, pay their taxes, and generally conform to policy decisions, they provide supports. In order to transform demands into outputs, public policies of the system must arrange settlements and enforce them upon the parties concerned. The system preserves itself by producing reasonably satisfying outputs, by relying upon deeply rooted attachments to the system itself, and by using, or threatening to use, force.

Many models applicable to policy making are based on the systems model, either explicitly or implicitly. A number of such models are reviewed below.

Systems Based Models of Policy Making

Political Systems Model. Campbell and Mazzoni (1976:1-7) developed the political systems model in order to describe policy decision making in a system context. The two key foci of the model are the actors, as defined by their positions in the environment, and the relationships between them as the policy making process unfolds.

System actors are described in terms of their position and membership in the environment, hence the policy system is comprised of a relatively stable group of actors who have a continuing concern with public school policy, who interact on a regular basis, and who together constitute the elements of the state education policy system. The immediate environment includes the various individuals and groups with interest in the state's school policies, interests that on occasion come to be expressed as political demands. The general environment is the physical, socio-economic, and political milieu that forms the backdrop for policy making (Campbell & Mazzoni, 1976:6).

As the process of policy making unfolds, the actors work through four sequential stages. First, issue definition is a process by which the preferences of individuals and groups become translated into political issues. The identification of political issues is followed by proposal formulation, which is a process by which issues are developed as specific recommendations for policy changes or for maintaining the status quo. A proposal triggers the process of support mobilization, whereby individuals and groups are activated to support or oppose alternative policy proposal. A decision is enacted when an authoritative (that is governmental) policy choice is made among alternative proposals. Campbell and Mazzoni (1976:7) noted that conflict may occur at any time, resulting in modifications of the positions of participants during any phase of the process.

The model is clearly a generalization and simplification of actual policy making processes. Subsequent models reviewed in this chapter argue against the orderly sequential process depicted by Campbell and Mazzoni. The contribution of this model, in addition to

emphasizing the role of the environment, is the implication that actors representing different facets of the environment also bring different motivations to the policy making process.

The Optimal Model. Yehezkel Dror (1968:154-196) developed a model of policy making which implied a system structure but which focused primarily on the policy making activities, rather than on the environment and actors, as subsequent models in this chapter do. Dror (1968:154) described the model as "qualitative, not quantitative." He noted that it has both rational and extrarational components but its basic rationale is to be economically rational. In terms of the process, Dror emphasized that it deals with metapolicymaking (sic) and that it has much built-in feedback.

Dror was somewhat defensive of the first two characteristics, which can probably be explained by the general emphasis on rational and quantifiable approaches to planning and research at the time the book was published. Dror argued that both rational and extrarational components were necessary for optimal policy making. It should be noted that Dror argued for the conscious use of extrarational processes such as intuition, not to be confused with unconscious extrarational inputs, which shape the actors' perceptions of the environment for example, as it is described in subsequent models. Dror's arguments for the extrarational component were:

1. Limited resources, uncertain conditions, and a lack of knowledge place strict limits on the degree to which policy making can feasibly be rational, so that policymakers (sic) must necessarily rely a great deal on extrarational processes.

2. Only extrarational processes will work in some phases of policymaking (sic); for example, policymakers need "creativity" to invent new alternatives.

3. Extrarational processes may solve some problems in some phases better than rational processes could, even though the latter by themselves could also solve the problems (Dror, 1968:157).

Dror defined policy making as being comprised of three main stages. Metapolicymaking, or policymaking on how to make policy, manages the policymaking system as a whole through: (1) identifying problems, values, and resources, and allocating them to different policymaking units; (2) designing, evaluating, and redesigning the policymaking system; and (3) determining the main policymaking strategies. Policymaking, or making policy on substantive issues, comprises the second stage. The last stage, re-policymaking (sic), constitutes making changes in policy, based on feedback from the executing of policies. Feedback is needed for finding out whether discrete policies need to be revised, and for enabling the policymaking system itself to "learn." The feedbacks take place both during and after policymaking on a particular issue (Dror, 1968:160-161). Table 2.1 lists the 18 components of the optimal model.

Since the optimal model is a normative model, Dror did not address, for example, leadership characteristics or relationships among actors in much detail, but he often alluded to constraints caused by relationships with the political environment:

> Final values and their order of priority can only be determined by value judgments, not by rational processes. For optimal metapolicymaking, value judgments should (as far as is "economical," including political costs) be made explicitly, and made only after the relevant data on the consistency and social consequences of the values, and on the feasibility of achieving them, have been carefully considered.
>
> Sometimes specifying values can be dangerous to the very existence of the system. Insofar as the consensus necessary for maintaining the system depends on symbolic values that would be destroyed if they were made specific and explicit, these values must not be processed, even if not doing so may lead to poor policymaking on certain social problems, since maintaining the system is always one of the system's most important values (but not necessarily always the most important value). (Dror, 1968:165)

Another consequence of the normative nature of the model is that the phases are presented sequentially in a logical progression which could prove difficult to engineer in "real life." Indeed, Dror (1968:194) noted that in "real life all these phases are dynamically independent and most of them take place at the same time." Dror concluded that "in actual

Table 2.1

Summary of the Components of the Optimal Model
(Dror, 1968:163-164)

I. **The Metapolicymaking Stage**

1. Processing values
2. Processing reality
3. Processing problems
4. Surveying, processing and developing resources
5. Designing, evaluating and redesigning the policymaking system
6. Allocating problems, values and resources
7. Determining policymaking strategy

II. **The Policymaking Stage**

8. Suballocating resources
9. Establishing operational goals, with some order of priority for them
10. Establishing a set of other significant values, with some order of priority to them
11. Preparing a set of major alternative policies, including some "good" ones
12. Preparing reliable predictions of the significant benefits and costs of the various alternatives
13. Comparing the predicted benefits and costs of the various alternatives and identifying the "best" ones
14. Evaluating the benefits and costs of the "best" alternative and deciding whether they are "good" or not.

III. **The Post-Policymaking Stage**

15. Motivating the executing of the policy
16. Executing the policy
17. Evaluating policymaking after executing policy
18. Communication and feedback channels interconnecting all phases.

public policymaking, the best that policymakers can hope for is to approximate the pure-rationality pattern very roughly" (1968:171).

The optimal model contributes important insights about reality and values. First, a distinction is made between an "objective reality" and one's "subjective image of reality," leading to the conclusion that: "the policymakers' subjective image of reality is one of the basic elements that condition metapolicymaking and policymaking; it determines what problems they will perceive and thus the general direction of their actions" (Dror, 1968:169).

Second, the need for policymakers to recognize the political ramifications of identifying and allocating values is highlighted:

> The value-processing phase is highly influenced by political processes, which determine the values that should be realized by public policy. Values are processed mainly by means of interactions and collisions between political bodies, public organizations, and interest groups. The outcome depends largely on the relative power, involvement, and commitment of the different interest groups, on the policymakers' image of the "public interest," and on the various personal and organizational characteristics of the main policymakers. (Dror, 1968:166)

In the model, values are allocated mainly to phases 9, 10, 13 and 14, where they help translate the allocated problems into operational goals, and where they provide the raw material for constructing the necessary criteria on which the decisions are based.

Subsequent models in this chapter focus on the dynamic, complex and unpredictable nature of organizational decision making. Dror addressed this issue by recommending that policymakers devise controlled communication and feedback networks:

> . . . policymaking must have highly elaborate and efficient communication and feedback channels and mechanisms in order to operate, especially to operate optimally. For optimal policymaking, not only should this network be elaborate and efficient, but noise in it should be strongly controlled, its thresholds should be carefully supervised, and its main components should be consciously designed and managed . . . the communication of feedback loops should not be left to spontaneous self-direction. (Dror, 1968:194)

Figure 2.2 provides an example of a feedback loop.

A Systems Framework for Integrating Planning and Policymaking. Bosetti (1973) used the political system model of Almond and Powell (1966), according to which societal inputs

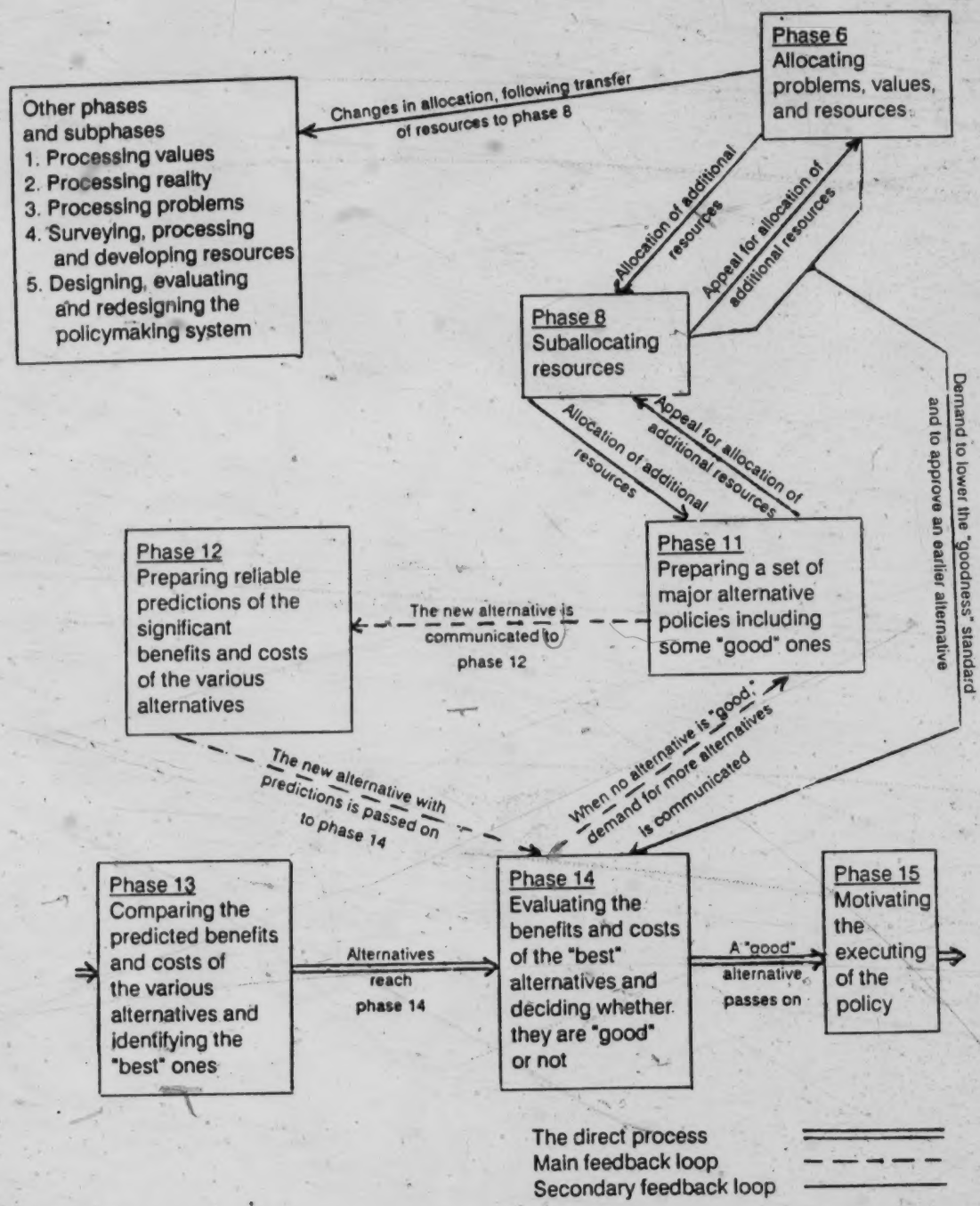

Phase 6
Allocating problems, values, and resources
Other phases and subphases
1. Processing values
2. Processing reality
3. Processing problems
4. Surveying, processing and developing resources
5. Designing, evaluating and redesigning the policymaking system
Changes in allocation, following transfer of resources to phase 8
Allocation of additional resources
Appeal for allocation of additional resources
Phase 8
Suballocating resources
Allocation of additional resources
Appeal for allocation of additional resources
Demand to lower the "goodness" standard and to approve an earlier alternative
Phase 12
Preparing reliable predictions of the significant benefits and costs of the various alternatives
The new alternative is communicated to phase 12
Phase 11
Preparing a set of major alternative policies including some "good" ones
The new alternative with predictions is passed on to phase 14
When no alternative is "good," demand for more alternatives is communicated
Phase 13
Comparing the predicted benefits and costs of the various alternatives and identifying the "best" ones
Alternatives reach phase 14
Phase 14
Evaluating the benefits and costs of the "best" alternatives and deciding whether they are "good" or not
A "good" alternative passes on
Phase 15
Motivating the executing of the policy
The direct process
Main feedback loop
Secondary feedback loop

Figure 2.2

Dror's Alternative-Search Feedback Loops Interconnecting Various Phases of Policy Making
(Adapted from Dror, 1968:195)

in the form of demands and supports are converted into outputs in the form of policies, as an organizing framework for integrating the models of Amara (1972) and Dror (1968).

The social system input component is accommodated by Amara's (1972:59-69) framework for national goals and policy, which addresses the identification of values, goals and attainments as societal inputs into the formulation of policy. Dror's optimal model (1968:154-196) provides a prescription for the conversion and output components.

Bosetti separated planning and policymaking in accordance with Amara's notion that planning is highly rational while policy making is subjective (Amara, 1972:66). Bosetti, however, did not see any inconsistencies in using both activities in a complementary manner:

> In essence, the framework views planning as a means of injecting a futures perspective and increased rationality into the policy making process. The framework represents an optimal situation in which planning and policy making form related dimensions of the process of converting societal inputs into policies which more effectively reduce the mismatch between what society wants and what it perceives to have. (Bosetti, 1973:18)

The components of the model are summarized below.

The Social System (Amara, 1972) provided the first four components. Values were defined as personal standards which determine what we want and how we act, and criteria by which we evaluate and order the ends that we seek. The values which determine what society wants have a direct influence on the goals to which society might subscribe and to the goals which might be sought through policy decisions. Goal identification and setting, therefore, require a high degree of subjectivity in judgment. In order to measure the achivement, development of social indicators to monitor the effects of implemented policies is needed to identify services and attainments. Achievement measures can be used to identify discrepancies or perceptions of mismatches between what society perceives to have and what society perceives to want.

The definition of inputs (Almond and Powell, 1966) included two components:

Demands - (1) for allocation of resources; (2) for the operation of institutions and subsystems and for rules for behavior; (3) for participation in the decision making process; (4) for communication and information about the systems norms and policies.

Supports - (1) provision of resources; (2) obedience to rules; (3) participatory support; (4) deference to power and authority.

The conversion process, whereby demands, supports, and other inputs are transformed into guidelines for future discretionary actions and are implemented was adopted from Dror (1968). The optimal model as modified by Bosetti was comprised of three major stages: (1) metapolicy planning and policy making; (2) policy planning and policy making; (3) post-policy planning and policy making. The planning contribution of each stage became the input to policymaking in each stage.

Almond and Powell's (1966) definition of outputs, which included extractions, regulations, allocations, and affirmations of values and statements of policies was used to complete the model. Figure 2.3 shows a graphic representation of the model.

State Politics of Education. Iannaccone's model (1967:40-80) examines the process by which stakeholders in the state education system influence legislation. In particular, the model focuses on "the nature of the organizational structure linking . . . organizations to the . . . legislature in order to influence legislation" and "the political lifestyle and leadership types" as well as other correlates corresponding to the organizational structures (1967:40). Iannaccone identified four types of organizational structures and postulated that these represent a progressive sequence in the development of political structures for influencing the state legislation of education (1967:73). The four types are summarized below from Iannaccone's description (1967:47-50):

Type I: Locally based disparate - geographically separated, fiercely independent grass roots units, unite with other units only in extreme conditions and separate again as soon as possible.

Type II: State-wide monolithic - the dominant pattern of state-level educational politics; comprised of state-wide associations of educators often representing different interests but reach consensus in the organizational unit that represents their views to the legislature; this is

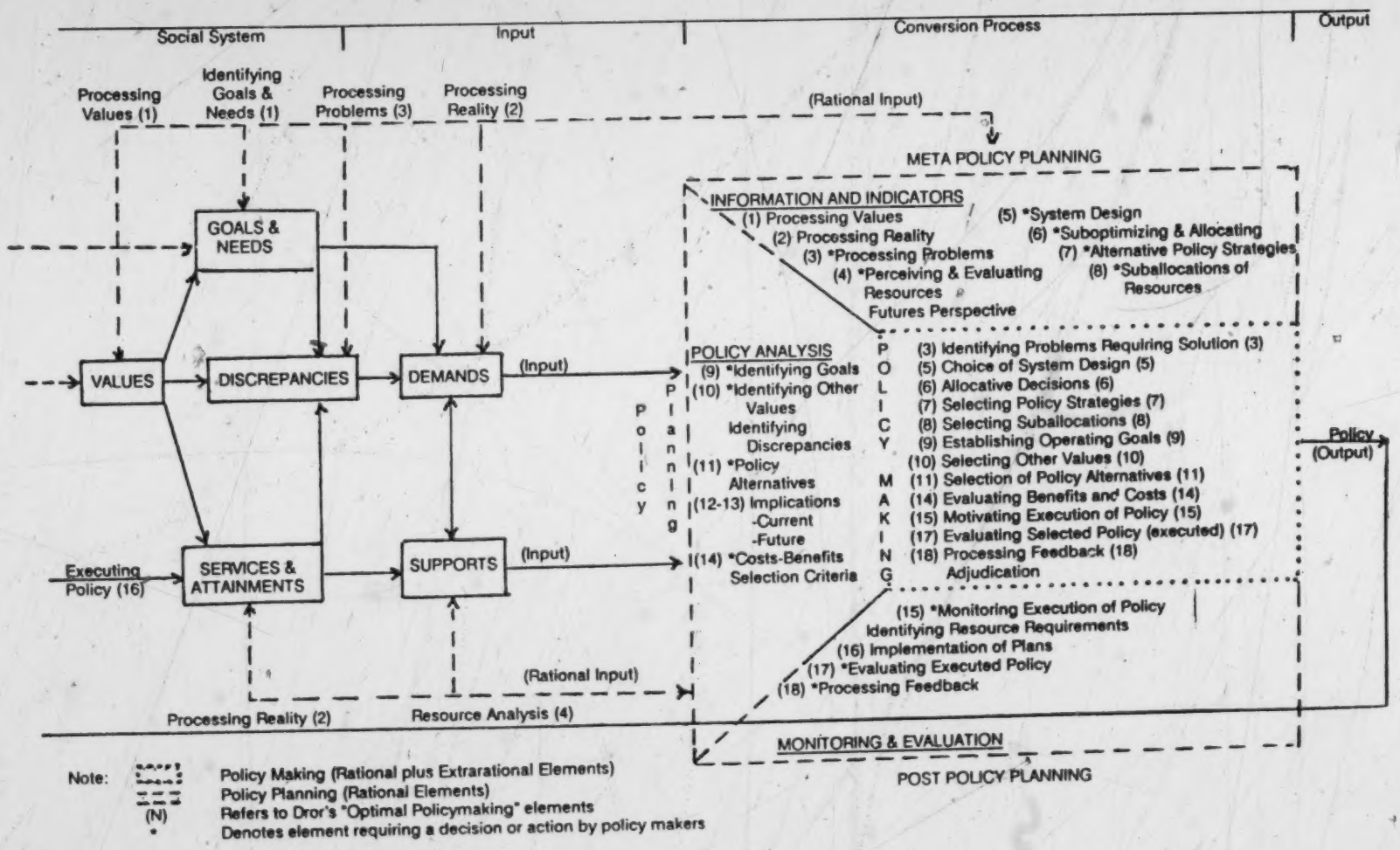


Figure 2.3

Bosetti's System Framework for Integrating Educational Planning with Optimal Policymaking
(Reproduced with permission from Dr. Bosetti)

described as a power pyramid of associations interested in education and educational legislation.

Type III: State-wide fragmented - state-wide associations of educators with differing interests; these groups interact with the legislature independently, often presenting competing proposals.

Type IV: State-wide syndical - governmentally established coalition of state-wide interest groups, legislators, and government officials; representatives of these groups are appointed by the government.

Iannaccone (1967:51-61) identified three areas of organizational behavior in which the groups or actors tend to behave in ways that are associated with the particular structure type they represent. The three areas, termed "correlates," are: legislative relationships; the political lifestyle and leadership characteristics of the groups and other members; and use of information. Table 2.2 summarizes the subcategories of each correlate and Figures 2.4 and 2.5 describe the correlates of linkage structures in some detail.

This model contributes two important ideas which are developed to various degrees in some of the other system models discussed in this chapter. The first idea is that the legislature is a stakeholder in the same manner as the interest groups and government agencies, making up a larger social system. This provides a different way of defining the environment with respect to public policy making.

The second idea relates the leadership style and the structure of an organization. This notion also merits considerable additional study. Simmons et al. (1974) attempted to clarify their similar observations with such categories as "policy style" and "history of the department," however, none of the models trace leadership behavior, style, or type to the motivations of each individual which cause him/her to act in a particular way.

The Policy Flow Model. This model, developed by Simmons et al. (1974:457-468), addresses "aspects of policy making normally obscured." While exhibiting both natural system

Table 2.2

Correlates of Linkage Structures and Their Subcategories
(Summarized from Iannaccone, 1967:51-61)

Correlate	Legislative Relationships	Political Lifestyle and Leadership Characteristics	Information Use
Sub-correlates	Power	Sacred-secular continuum	
	Sentiment of legislators toward	Leadership style	
	Locus for accommodation of interests	Political lifestyle	

	Correlates and Sub-correlates / Structure of Key Links	TYPE I DISPARATE (Locally-Based)	TYPE II MONOLITHIC (State-Wide)	TYPE IV SYNDICAL (State-Wide)	TYPE III FRAGMENTED (State-Wide)
POLITICAL LIFESTYLES LEADERSHIP CHARACTERISTICS	POLITICAL LIFESTYLE	Entrepreneurial	Cooptational	Coalitional	Competitive
	LEADERSHIP CHARACTERISTIC	Squirarchy	Oligarcy	Synarchy	Polyarchy
	SACRED-SECULAR CONTINUUM	Sacred Very high	Sacred Very high	Sacred-Secular Blended	Secular
INFORMATION USE	INFORMATION:				
	Quantity	Small	Large	Large	Very Large
	Nature	Unscientific	Precise and Predictable	Precise and Predictable	Precise, but not Predictable
	Control	Personalistic	Monopolistic	Monopolistic	Competitive

Figure 2.4

Summary of Two of Iannaccone's Correlates of Organizational Structures: Political Lifestyles and Leadership Characteristics, and sub-correlates, and Information Use
(Adapted from p. 43)

	Structure of Key Links / Sub-correlates	TYPE I DISPARATE (Locally-Based)	TYPE II MONOLITHIC (State-Wide)	TYPE III FRAGMENTED (State-Wide)	TYPE IV SYNDICAL (State-Wide)
LEGISLATIVE RELATIONSHIPS	LOBBY POWER:				
	Prevention	Yes	Yes	Mixed Yes and No	Yes
	Initiation	No	Yes	Mixed yes and No	Yes
	LEGISLATOR SENTIMENT	Warm & Paternal to Teachers	Warm, undifferentiated	Differentiated: Critical to Administrators; Warm to Teachers	Warm, not Critical
	LOCUS OF ACCOMMODATION	Legislature	Apex of Monolith	Legislature	The Group of Syndics

Figure 2.5

Summary of Iannaccone's Third Correlate of Organizational Structures: Legislative Relationships, and sub-correlates (Adapted from p. 57)

and rational system characteristics, the model "is based on a view of public policy making linked with the question of values. It places greater emphasis on the role that individuals, groups and agencies play in relation to policy formation" (Simmons et al., 1974:466).

The Policy Flow describes the conversion of policy issues into policies by an interactive process between policy decisions made by actors, policy environments and policy feedback. Policy is defined as an indication of intention or a guide to action. Policy issues are issues identified by interested actors and focus upon a desired change. They are therefore "behaviorally, rather than morally or absolutely, determined" (Simmons et al., 1974:460).

Policy flow is defined as the evolution of a policy issue, which "encompasses the total milieu of policy formation in which the haphazard impact and coalescence of numerous factors, participants, and interactions result in the dynamic ebb and flow of policy issues" (Simmons et al., 1974:460). Policy decisions are described as "specific events reflecting a confluence of values and behavior which guide administrative action" (Simmons et al., 1974:461). Policy environment is comprised of public and private agencies and their key persons, interest groups, and operational social processes such as cooperation and competition. Policy feedback "operates within the policy flow affecting interaction amongst the participants and modifying policy issues by changing inputs" (Simmons et al., 1974:461).

Although the Policy Flow Model includes the formation of a policy to its final form, the focus of the model is not the product but the process:

> Whilst the outcome of the *Policy Flow* is the formulation of a *policy decision*, the focus of the model is on the activities which lead to that end point; including *feedback* from previous policy decisions. It is these activities which ultimately shape final choice. (Simmons et al., 1974:466).

The main elements of the Policy Flow dynamics are (1) Policy Style: actors and groups; (2) Policy Environment: power and resources; and (3) Interaction: policy coalescence and feedback. A summary of these elements is presented below (Simmons et al., 1974:461-465):

The actors and groups whose values influence policy decisions, over time develop a style--tradition and history which "constrains and refines their actions and concerns." Some of

the characteristics which determine particular styles are: communication between actors, commitment of resources, leadership characteristics of kev actors, and group dynamics.

Power and resources influence the dynamics in the policy environment. Power arrangements of the involved agencies (government departments) range along a continuum between dependence and autonomy. There are five facets or aspects of power arrangements described in the model: nature of the affiliations with stakeholder groups, formal legislative provisions between department heads and the political executive, nature of the core professional staff, financial arrangement for funding departmental activity, and historical tradition of the department.

Resources are categorized as three types of inputs from the policy environment: intersocietal inputs which alter the perceptions of the possible, technological advances which contribute to defining policy choices, and the generational dialectic, changing the prevailing values and redirecting social purpose.

The availability of power and resources may depend on the existence of conditions of stability or crisis in the policy environment. The capacity of a key actor to introduce crises into the field may change the policy options available. The authors hypothesize that the access of political actors (e.g, the minister) to the policy flow is greater at times of crisis than at times of stability. The professional staff therefore would have a greater influence on the shaping of the policy when conditions of stability exist.

The final element of the Policy Flow dynamics is interaction, which is defined terms of policy coalescence and feedback. Policy coalescence is defined as an identifiable interaction process whereby policy becomes more articulated or more specific. Actors and groups may coalesce to affect existing policy.

Struggle and bargaining also occur within the interaction process. Conflict often centers on status struggles of the actors, rule changes and power resource utilization, all of which affect policy decisions. The authors contend that the impact of decisions in other than the simplest policy arena only become known through the passage of time.

Simmons et al. define policy making as non-deterministic and dynamic because there are "always anticipated consequences." The "unanticipated consequences resulting from policy impacts become the basis for feedback into the policy environment whereby modification is sought" (Simmons et al., 1974:466).

The policy flow model is represented graphically in Figure 2.6. The authors note that the model is still in developmental stages. This is apparent in aspects of the model where characteristics or categories are introduced, particularly in the description of policy style. The characteristics and relationships of policy actors need more elaboration and refinement and the linkages between the external and internal actors need to be more clearly delineated. The model is significant, however, in drawing attention to the interactions within the internal environment of the organization.

The Policy System as a Vehicle for Decision Making. "Corporate planning is not enough" is the message of the book by Friend et al. (1974), which deals with strategic decision making in the public sector. The authors maintain that strategic decision making must be considered as an inter-organizational process:

> The more comprehensively those in large corporate organizations seek to plan, the more they find themselves dependent on the outcomes of other agencies, both public and private; also, the more aware they become of the many subtle relationships--economic, social, political, and ecological--that extend into other parts of their environment which may be less clearly structured in formal organizational terms. (Friend et al., 1974:xxiii)

Friend et al. developed the Policy System model in order to increase the understanding of the inter-corporate dimension of the planning process. Their insights are based on a number of case studies of local and regional governments in Great Britain. In their model, the authors attempted to

> preserve a balance between methods of representing the structure of complex decision problems, and methods of representing equally complex patterns of human and organizational relations, treating these two frameworks as complementary and seeking ways in which to move as freely as possible from the one to the other. (Friend et al., 1974:23)

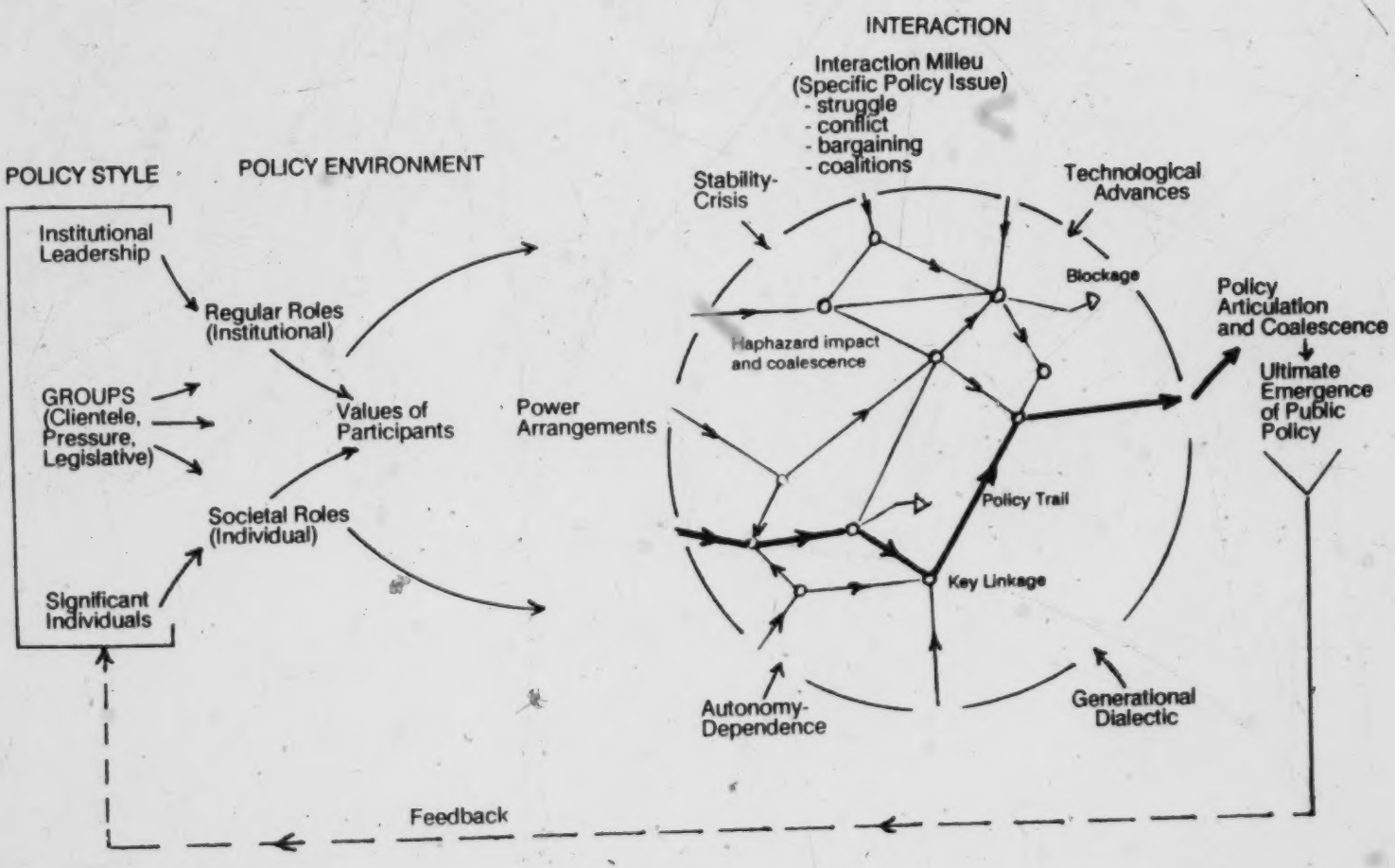


Figure 2.6

Simmons et al.'s Public Policy Flow Model
(Adapted from p. 467)

The authors observed that decision makers make distinctions, classifications and other judgments which relate to the social and cultural context of the problematic situations with which they have to deal. Of particular importance is the decision maker's relationship to a structure of authority which provides some guidance for acceptable types of procedure. This structure of authority was the point of departure in the conceptualization of their model:

> Most structures of authority evolve in such a way as to deal not with individual decision problems--which are by definition transient--but with classes of problem situation which are expected to recur over time. This applies in particular to the structure of governmental institutions, both central and local, the responsibilities of which are often defined with some degree of precision, both in territorial and in functional terms. (Friend et al., 1974:23)

The components of the model (Friend et al., 1974:22-57) are described below

Decision problem is defined as a state of uncertainty in selecting a preferred course of action. In response to a decision problem, the process of strategic choice seeks to reduce the difficulties by exploring them within a wider strategic context or embracing other related problems of present and future choice. Policy system is comprised of any set of organizational and inter-personal arrangements which has evolved to deal with some identifiable class of decision problems. The total, multi-dimensional field of decision situations with which any particular policy system is directly concerned is the action space. Activities within the action space are determined by policy guidelines. These include a set of recognized rules, policies, objectives, or precedents which those playing roles within the system acknowledge as factors that should influence their search for preferred courses of action within the recognized action space. The decision making involved in choosing a preferred course of action is a process with three consecutive primary elements: the perception of a decision problem, the exploration of possible solutions, and the commitment to certain selected lines of action. The actors play different specialized roles in the decision making process, and the actors within a policy system may represent two or more different corporate agencies. The actors are involved in two types of relationships. External relations exist between actors and those outside the boundaries of the

system, while internal relations are maintained between actors, based on formal hierarchy and informal ones based on membership in informal groups.

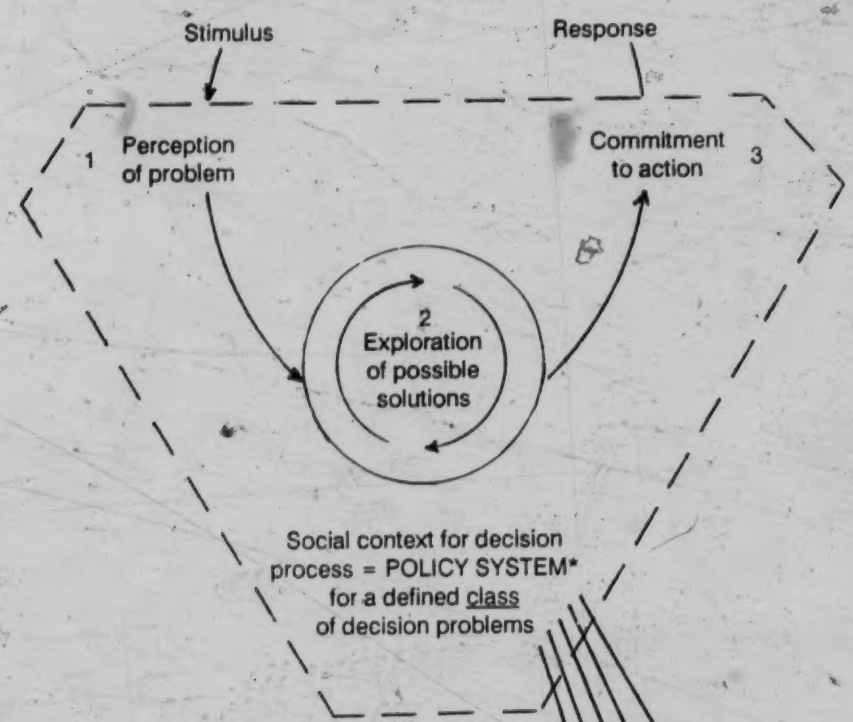
The operating environment of a policy system includes all those aspects of the environment from which problems emerge that can be classified as falling within its recognized action space. The constituency of the policy system, on the other hand, includes a set of public or other interest to which the actors in the policy system consider themselves to be responsible for the actions which they may select. The constituency system is a complex system of overt and latent political forces.

A decision network is an open network of communications among people acting either within policy systems or across the interfaces between them, which may influence the commitments reached in any specified class of decision problems.

Friend et al. built up their model by use of a series of figures with an increasing focus on detail. The three primary consecutive phases of decision making--perception of a decision problem; exploration of possible solutions; and commitment to certain selected lines of action--are variations on the basic components of a systems model--inputs, internal operations, and outputs.

In Figure 2.7, the three basic elements are related to the context of a policy system operating within a particular action space to which certain policy guidelines apply. In addition to action space and policy guidelines, the policy system is characterized by: actors, internal relations, and external relations. The nature of the decisions problems, not corporate boundaries, determines the roster of actors.

In Figure 2.8, the external relationships between actors are described by three facets of the environment: the operating environment, the constituency (stakeholders and recipients of the policy), and contiguous policy systems. Each actor develops a set of perceptions about each of the three facets. These perceptions are equally important for their knowledge as for the deficiencies in knowledge. The perceived uncertainties about the environment lead to three different types of exploratory action which may be initiated by the actors in order to arrive at



Components of Policy System:

- CLASS OF DECISION PROBLEMS within its competence
- SET OF PEOPLE playing roles in decision process for this class of problems
- PATTERNS OF RELATIONS between actors (mutual accountability, membership of groups, etc.)
- Set of RULES, POLICIES, OBJECTIVES, or PRECEDENTS acknowledged by actors as guidelines to choice within action space
- Relations to actors and systems outside this policy system

ACTION SPACE

ACTORS

INTERNAL RELATIONS

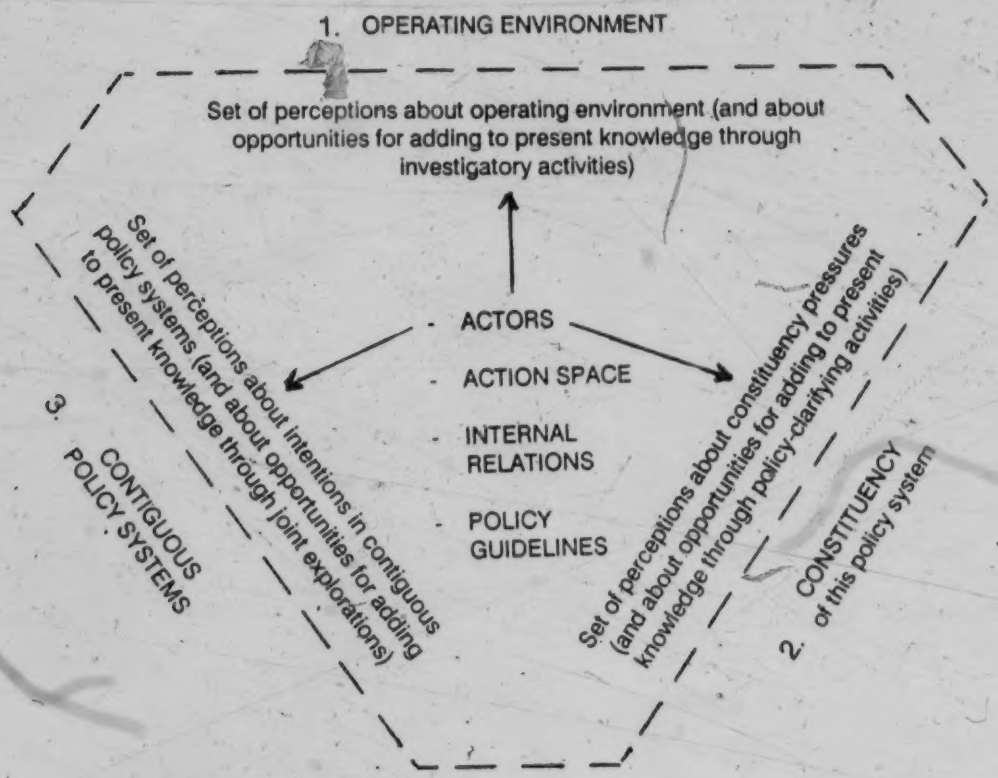
POLICY GUIDELINES

EXTERNAL RELATIONS

Figure 2.7

Friend et al.'s Policy System as a Vehicle for Decision: The Relationship of the Three Basic Elements to Their Social Context
(Aadapted from p. 26)

Relationships Between Actors and Three Facets of the Environment


1. OPERATING ENVIRONMENT
Set of perceptions about operating environment (and about opportunities for adding to present knowledge through investigatory activities)
- ACTORS
- ACTION SPACE
- INTERNAL RELATIONS
- POLICY GUIDELINES
Set of perceptions about intentions in contiguous policy systems (and about opportunities for adding to present knowledge through joint explorations)
3. CONTIGUOUS POLICY SYSTEMS
Set of perceptions about constituency pressures (and about opportunities for adding to present knowledge through policy-clarifying activities)
2. CONSTITUENCY of this policy system

Note: Friend et al. (1974:28) emphasized that "actors within a policy system do not necessarily all have the same organizational allegiance. Indeed, they seldom do in public planning, where many classes of problem impinge significantly on more than one type of constituency interest."

Figure 2.8

Friend et al.'s Policy System and its Environment
(Adapted from p. 28)

more confident decisions. Uncertainties about operating environment lead to investigatory activity, usually further study or research. Uncertainties about policy lead to policy clarifying activities such as the clarification of group's policies, objectives, goals (uncertainty about values of consequences). Uncertainties about related choices lead to coordinative activities aimed at extending the context in which the problem was currently being explored to include other fields of choice (future intention of the other fields is perceived to be important).

Figures 2.8 and 2.9 show the relationship between the actors' perceptions of the environment and the activities they stimulate. The degree to which facets of the environment are differentiated depends on the degree of political differentiation to which people outside the policy system are subjected:

> . . . the very process of selecting responses to uncertainty in confronting a succession of decision problems can lead to important exchanges of information between the actors in a policy system, and to processes of continuing adjustment between them and their perceptions of the various facets of the environment. (Friend et al., 1974:35)

Figure 2.10 is an elaboration on Figure 2.9, expanding the coordinative activities. If areas of choice do not lie within the action space of the policy system, the exploratory process may cross the boundary to a higher level policy system, with a more broadly defined action space; e.g., from a corporate to an inter-corporate context. "At this level, the relative prominence given to investigatory, policy-clarifying, and co-ordinative modes of behavior may depend not only on personal or professional biases, but on broader institutional commitments" (Friend et al., 1974:39). The actors must then engage in connective planning across the boundaries between contiguous but autonomous policy systems. Such interaction is illustrated by Figure 2.11. The more complex the set of problems is, the more likelihood there is of incremental commitment to action, focusing only on those problems where the need for a decision is most pressing.

When multiple levels of problem exploration exist in one policy system, complex patterns of communication are channelled along a decision network. Links in decision network are activated as a result of reticulist judgment.

1. Response to uncertainty about operating environment leads to investigatory activities
Interpret as awareness of UNCERTAINTIES ABOUT THE OPERATING ENVIRONMENT
"We need more investigations, research . . ."
SITUATION WHERE DECISION-MAKER(S) FACE DIFFICULTY IN SELECTING A PREFERRED COURSE OF ACTION
'We need to take a more strategic view, co-ordinated approach..."
'We need clearer objectives, policies...'
Interpret as awareness of UNCERTAINTIES ABOUT RELATED CHOICES
Interpret as awareness of UNCERTAINTIES OF POLICY
3. Response to uncertainty: about related choices leads to coordinative activities– exploration of problem in wider context
2. Response to uncertainty about policy leads to policy clarifying activities

Figure 2.9

Friend et al.'s Sources of Actors' Uncertainty About the Three Facets of the Environment
(Adapted from p. 32)

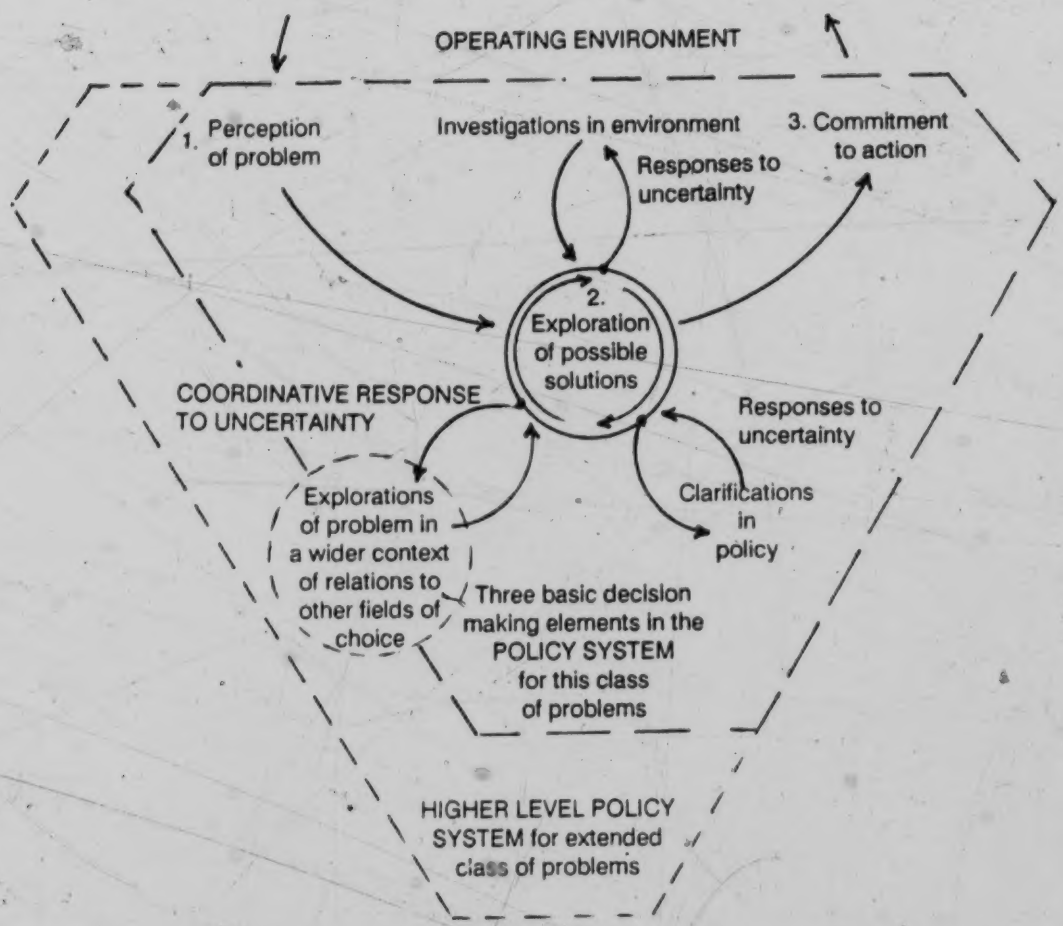
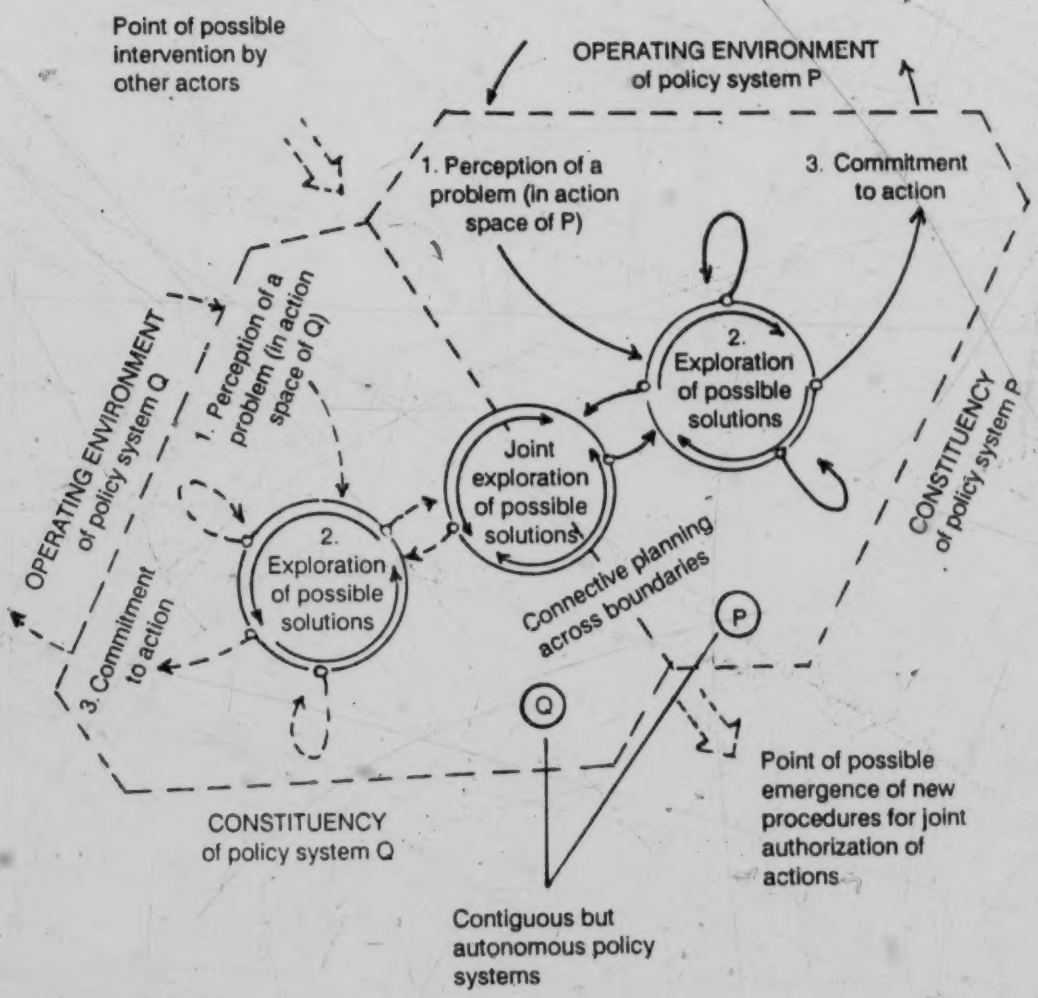

OPERATING ENVIRONMENT
1. Perception of problem
Investigations in environment
3. Commitment to action
Responses to uncertainty
2. Exploration of possible solutions
COORDINATIVE RESPONSE TO UNCERTAINTY
Responses to uncertainty
Explorations of problem in a wider context of relations to other fields of choice
Clarifications in policy
Three basic decision making elements in the POLICY SYSTEM for this class of problems
HIGHER LEVEL POLICY SYSTEM for extended class of problems

Figure 2.10

Friend et al.'s Coordinative Activities Across Levels of Policy System
(Adapted from p. 36)


Point of possible intervention by other actors
OPERATING ENVIRONMENT of policy system P
1. Perception of a problem (in action space of P)
3. Commitment to action
2. Exploration of possible solutions
Joint exploration of possible solutions
OPERATING ENVIRONMENT of policy system Q
1. Perception of a problem (in action space of Q)
2. Exploration of possible solutions
3. Commitment to action
Connective planning across boundaries
CONSTITUENCY of policy system P
P
Q
Point of possible emergence of new procedures for joint authorization of actions
CONSTITUENCY of policy system Q
Contiguous but autonomous policy systems

= Points of discretion in 'switching' of the exploratory process into alternative channels within a DECISION NETWORK for a field embracing the concerns of both policy systems

Figure 2.11

Friend et al.'s Interaction Between Policy Systems
(Adapted from p. 38)

> The use of reticulist judgements in activating, fashioning, re-fashioning, and--occasionally--creating decision networks provides one of the most important dynamic elements of the decision-making process, especially in complex fields of public policy such as the management of local and regional change. (Friend et al., 1974:44-45)

The authors note that partisan motivations may enter into the choices of whether or not a particular channel of communication should be activated, as well as what information is transmitted.

The contribution of this model lies in adding yet another perspective to the complexity of public policy making, and in highlighting and analyzing the relationships between the actors and their environment. In particular, the notion that the actors' perceptions of the environment and their motivations have a profound effect on decision making, provides an explanation as to why "real life" policy making cannot follow the Rational model:

> Skills in selecting which channels of communication to activate at a given point in a decision-making process, and also how much information to transmit through them, must be regarded as crucial factors in the manipulation of decision networks. However, it must be recognized that such judgements are always likely to be made with some degree of partisanship wherever any set of actors is working within a political environment in which there exists a possibility of conflict between the motivations of individuals or between the constituency interests to which they must be responsive. (Friend et al., 1974:46)

It is interesting to note that the authors do not make the usual internal-external environment distinction, characteristic of most systems-based models. Instead, the policy system goes beyond corporate boundaries and varies with the type of decision--the more complex the type, the higher the policy level, the more corporate agencies are involved. The actors thus may belong to several different organizations. The distinctions between corporate boundaries is postulated to be perceived at the individual actor level, which is in turn detectable in the control of communications. By following the communication links, the authors claim, one could identify and map the decision networks which would expose the relationships among the most influential actors. In theory this appears to be an effective approach to the Gordian knot of relationships among actors which has been recognized by other models but as yet unexplained. In reality it appears to be less effective or even impossible to apply because of the difficulty a researcher would encounter in tracing the communication and decision patterns. Many of these

links are informal and undocumented, as the authors point out, and quite possible confidential as well. Another aspect that has not been addressed in detail is the motivation of the actors. This information would also be necessary for the explanation of the communication and decision networks.

The Structure of "Unstructured" Decision Processes. This model is an attempt to identify specific patterns in complex decision problems. Mintzberg et al. (1976:246-275), after an extensive study of strategic decision processes, concluded that "strategic decisions processes are immensely complex and dynamic and yet that they are amenable to conceptual structuring." Mintzberg and his associates developed a model which is capable of describing all the decision situations they studied. The authors attempted to build into their model the ability to describe the dynamic nature of the decision process with such features as delays, speedups and cycling back. Table 2.3 is a summary of the components of the model. It should be noted that the support routines and the dynamic factors can occur in any of the phases at any time. A brief description of the model's elements is presented below.

The identification phase is comprised of decision recognition and diagnosis. During decision recognition opportunities, problems and crises are recognized and evoke decisional activity. The management seeks to comprehend the evoking stimuli and determine cause-effect relationships for the decision situation through diagnosis.

The development phase is initiated by a search for ready-made solutions. Subsequent to the search, activities are focused on developing custom-made solutions or on modifying ready-made ones.

The selection phase is comprised of screening, evaluation, and authorization. A screen is evoked when search is expected to generate more ready-made alternatives than can be intensively evaluated.

Table 2.3

Components of the "Unstructured" Decision Processes Model
(Summarized from Mintzberg et al., 1976:246-275)

Phases	Identification	Development	Selection
Main Routines	- decision recognition	- search	- screen
		- design - diagnosis	- evaluation-choice
			- authorization
Support Routines	- decision control	- communication	- political
Dynamic Factors	- interrupts	- scheduling delays	- feedback delays
		- timing delays and speedups	- comprehension cycles
			- failure recycles

Evaluation of choice ratifies the solution that was determined explicitly during design and in part implicitly during diagnosis as well. The evaluation-choice routine can be carried out in one of three modes: judgment, bargaining, and analysis.

Authorization is needed when the individual making the choice does not have the authority to commit the organization to the course of action. The decision must follow a tiered route of approval up the hierarchy and perhaps also out to parties in the environment that have the power to block it.

In order to demonstrate that the strategic decision process does not flow in a steady, undisturbed progression from one routine to another, the authors identified six groups of dynamic factors:

Interrupts - caused by environmental forces;

Scheduling delays and timing delays and speedups - effected by the decision maker;

Feedback delays - caused by the decision maker awaiting results of previous action;

Comprehension cycles - the decision maker cycles back to earlier phases in order to comprehend a complex issue;

Failure recycles - when a decision is blocked the decision maker may either delay until conditions are conducive to reintroduction of his decision, or cycles back to the development phase.

In an attempt to devise a typology of decision processes, the authors described seven path configurations, or variations of the basic model. This typology may have been an attempt to simplify the complex model. Indeed, it is the model's complexity which limits its usefulness. While the authors repeatedly stress the complexity of strategic decision making, describing it as a "groping cyclical process, immensely complex yet dynamic," they maintain that it is amenable to conceptual structuring. The state that this one model describes much of what they observed in the field. Figure 2.12 shows a generalized structure of the model.

Since the function of this model is said to be to describe, it is reasonable to expect that it would provide an organizing structure for raw data collected in a case study of strategic

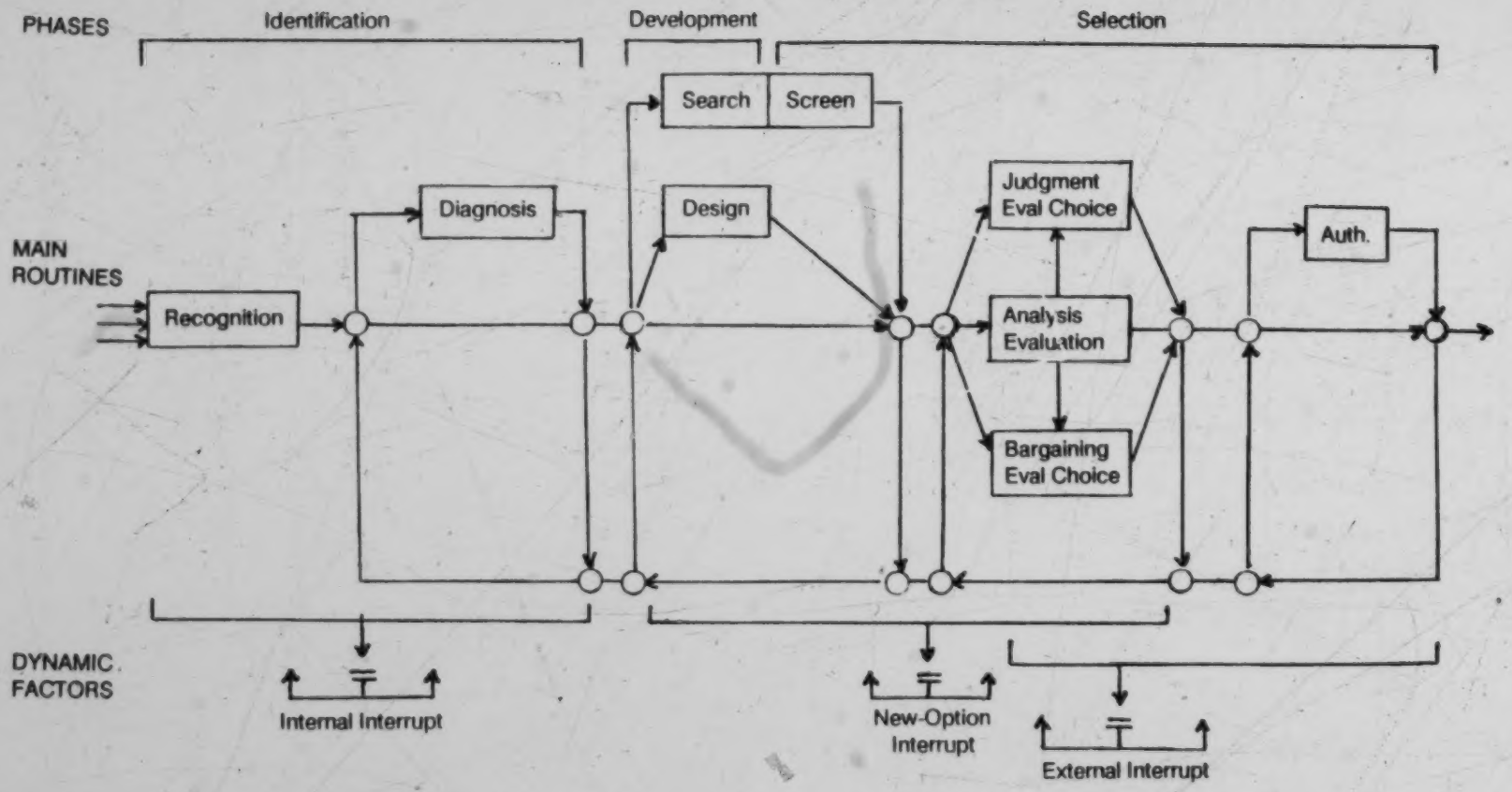


Figure 2.12

Mintzberg et al.'s General Model of the Strategic Decision Process
(Adapted from p. 266)

decision making. By attempting to account for every type of situation they've encountered, the authors may have made the model too cumbersome. The model in its present form is limited to describing how a process unfolded, without having the capacity to explain why various actions were taken. The capacity to explain would require an additional component, dealing with actors and their motivations. The significant contribution of this model is the graphic demonstration of the dynamic relationship between the political and environmental forces and the capacities and resources of the decision makers.

Models of Policy Implementation

Four models of policy implementation based on systems theory are reviewed. While some focus primarily on translating policies into operational terms, others consider the impact of the policy on the internal and external environments as well.

Smith's Model of Policy Implementation. Smith's model focuses on the relationships between variables of the policy implementation process and the tensions that are generated by these relationships. Tensions are generated between the following variables: idealized policy, the implementing organization, the target groups and the environment. Tensions are a likely and natural result of attempts to induce change (Smith, 1973:202).

Smith's four variables are summarized below (1973:197-209):

Idealized policy is the intended form of the policy as characterized by four aspects: (1) form (legislation or program); (2) type (complex, simple, regulatory, distribution); (3) extent (source, intensity of support, scope); and (4) image (perceptions of policy by implementors and targets).

Target Group is comprised of individuals, groups or organizations affected by the policy. Their reactions will be affected by: (1) degree of organization of the target group; (2) leadership of the target group; and (3) prior policy experience of the target group.

Implementing Organization's implementation performance is affected by: (1) stability of organizational structure and quality of personnel; (2) leadership; and (3) general capacity of the organization to meet implementation objectives, and the type of effort exerted to do so.

Environmental factors fall into four main categories: cultural, social, political, and economic.

An adaptation of Smith's model is shown in Figure 2.13. Smith's model highlights the relationships within and between the internal and external environments. Components of his model are elaborated further in the model of Van Horn and Van Meter, which is also discussed in this chapter.

Colvin's Model of Policy Implementation. Colvin's main interest was in understanding how policies are translated into operational terms. He used Easton's basic political system model as the organizing framework for his model. Figure 2.14 provides an illustration of Easton's basic model (1969:29-44). Colvin (1975) then inserted the policy conversion mechanism which he developed from the models by Smith (1973) and Bunker (1971).

The following activities for implementing policy were adapted from Bunker in the development of Colvin's conversion mechanisms:

- articulating selected policies and strategies
- generating operation sub-goals consistent with policies
- designing tasks and incentives for implementation
- monitoring task perceptions and performance
- measuring and evaluating outcomes
- integrating outcome and process measurements into the diagnostic planning and administrative sections of the process.

Bunker emphasized the importance of policy articulation, organizational and inter-organizational relationships, incentives and tasks, in the implementation process.

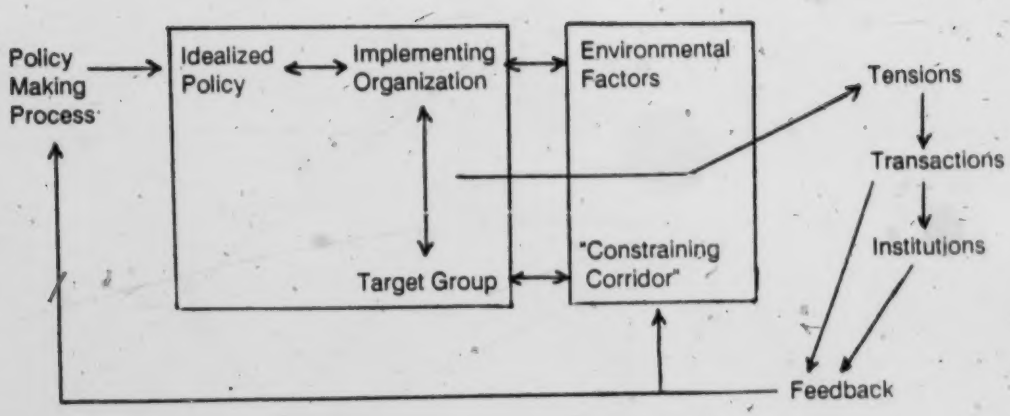


Figure 2.13

Smith's Model of the Policy Implementation Process
(Adapted from pp. 197-209)

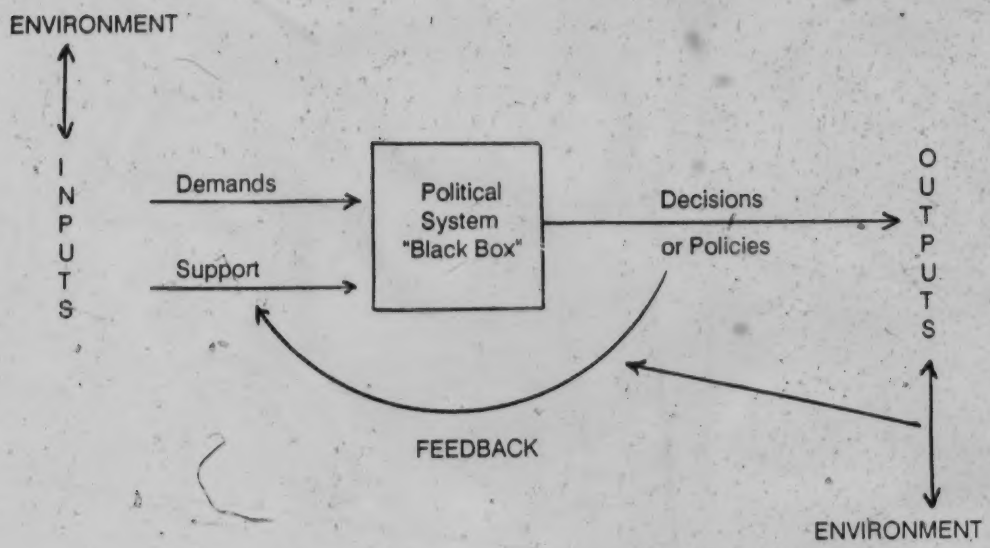


Figure 2.14

Easton's Policy System Model
(Adapted from p. 30)

Colvin (1975:80-81) merged elements of the above models to create his policy implementation model, shown in Figure 2.15. The model seems to isolate policy processes internal to the organization. The implementation appears to be a unilateral action aimed at a passive target group and the "larger picture" including environmental factors is not addressed. Indeed, by separating the conversion and delivery mechanisms, this model seems intended to emphasize the tendency for unilateral imposition of policies, where internal planning is perceived as the key implementation activity while the delivery component is seen as a clerical matter which occurs automatically If this model is an accurate representation of the governmental approach to implementation, it raises some serious implications..

Model for Implementation of Intergovernmental Policy. Van Horn and Van Meter (1977:97-120) defined policy implementation as a process which "encompasses those actions by public and private individuals (or groups) that affect the achievement of objectives set forth in prior policy decisions" (1977:103). The authors stressed the importance of distinguishing between policy implementation and policy impact. They defined these terms thus (1977:103):

Policy impact - policy impact studies examine the linkage between specific program approaches and observed consequences; they typically as 'what happened?'; they address questions of ultimate effect. The definition which Dye (1976:95) proposed, tends to be in agreement:

> Policy "impacts" are changes in the society which are brought about as a result of some government activity. Policy impacts are the *consequences* of government activity. These are not merely measures of government activity--how much money is spent, how much public effort is being made, in a particular area--but rather measures of changes in the environment or the political system caused by government action.

Policy implementation - studies of implementation highlight one of the forces that determines policy impact by focusing on those activities that affect the rendering of public services; they typically ask 'why did it happen this way?'; they address the questions of delivery of services, as opposed to the services' ultimate effect.

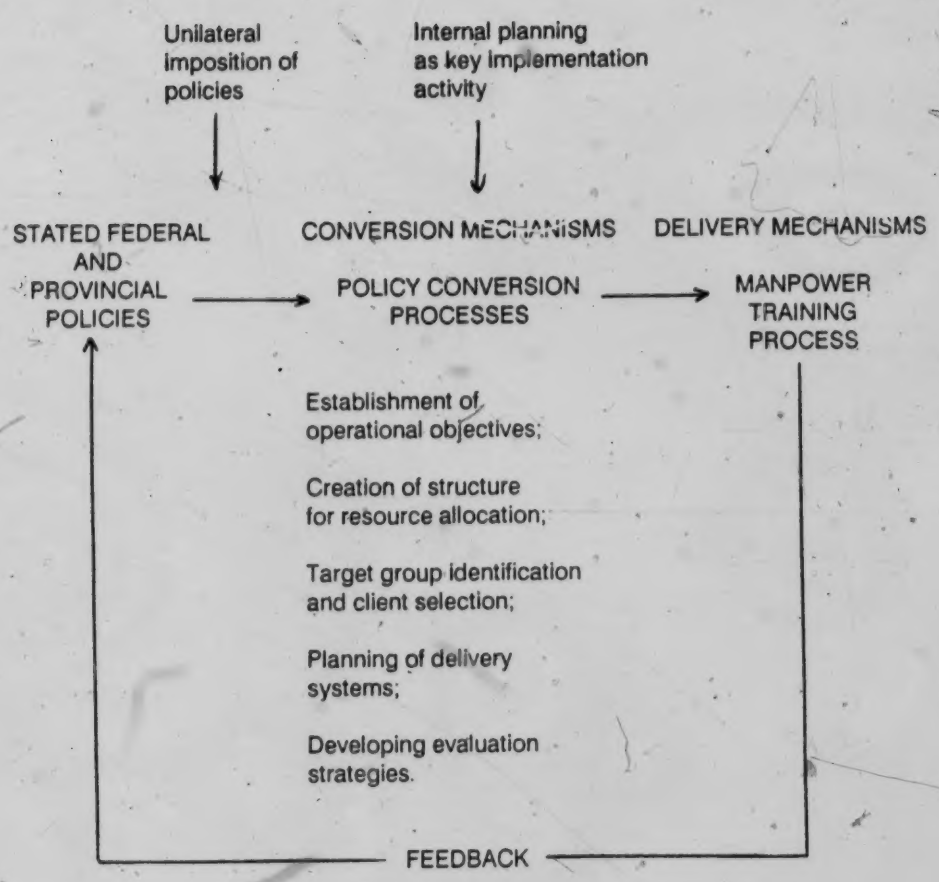


Figure 2.15

Colvin's Policy Implementation Model
(Adapted from pp. 80-81)

Van Horn and Van Meter designed a model to explain and assess program performance--the degree to which anticipated services were actually delivered to identified target groups. The model focuses on a number of variables and their interrelationships which combine to determine policy performance. These variables were based on three factors identified by Kaufman. Van Horn and Van Meter (1977:105) cited Kaufman's (1973:2) explanations for noncompliance in organizational settings, as the most comprehensive analysis to date of the dynamic factors that influence policy implementation. The three factors are briefly described below:

The communications process - Effective implementation requires that implementors know what they are supposed to do. As messages pass through any communications network, distortions are likely to occur--producing contrary directives, ambiguities, inconsistencies in instructions, and incompatible requirements. Even when directives and requirements are clear, problems may arise as implementors fail to comprehend fully what is expected of them.

The capability problem - Successful implementation is also a function of the implementing organization's capacity to do what it is expected to do. The ability to implement policies may be hindered by such factors as overworked and incompetent staffs; insufficient information, political support and financial resources; and impossible time constraints.

Dispositional conflicts - Implementation efforts may fail because implementors refuse to do what they are supposed to do.

There appear to be a number of problems with the above categories. The communications category, for example, includes elements of planning (which is not formally addressed), and of the second category--capability problems. The second category contains elements of communications, as well as elements of the environmental influence (which is not formally addressed).

Poor planning could hinder or scuttle implementation efforts even if the implementors are positively inclined toward the policy, for example. The fact that planning activities were subsumed under communications suggests that only 'functional' communications were

addressed, leaving out the personal manipulation of the communications network by actors which were described by some of the previous models.

The role of the environment is implied as a function of the organization's capability to implement the policy. The role of the environment should be acknowledged even in cases where the intended policy is of an internal nature. For example, an organization might attempt to avoid complying with policies on hiring women. If the women in the external environment put pressure on the organization, they might be able to prevent noncompliance.

These discrepancies are noted because it would seem reasonable to assume that when an organization proceeds from policy formulation to policy implementation, the factors acting within and on the organization are not likely to undergo drastic changes, albeit their foci might shift somewhat. Pressman and Wildavsky (1973:xiii), for example, define policy implementation as a phase which is functionally integrated with the policy process. There should, therefore, be some general continuity between the factors described in the policy making models and the factors described in the policy implementation models. Van Horn and Van Meter did not find this to be the case. With reference to Kaufman's three factors they stated (1977:105):

> Most of the studies that we have identified rely primarily upon one of these three general explanations for unsuccessful implementation. Few investigators have sought to integrate each of these explanations into their analysis. Our conceptual framework utilizes these partial and insufficient explanations in an effort to provide the basis for a comprehensive understanding of the implementation process.

Figure 2.16 illustrates the authors' model, which features the following eight variable clusters (1977:106):

Policy Resources: Policies provide financial and other resources for programs and their administration and enforcement. Timing of the release of funding information as well as the amount of funding can have important consequences for the success of the program. Policy resources may influence the environment where implementation occurs, stimulating interested individuals and groups to press for full implementation and successful policy performance.

Policy Standards: Policy standards move beyond the general legislative goals and preamble rhetoric and establish requirements, in varying degrees of specificity, for how those

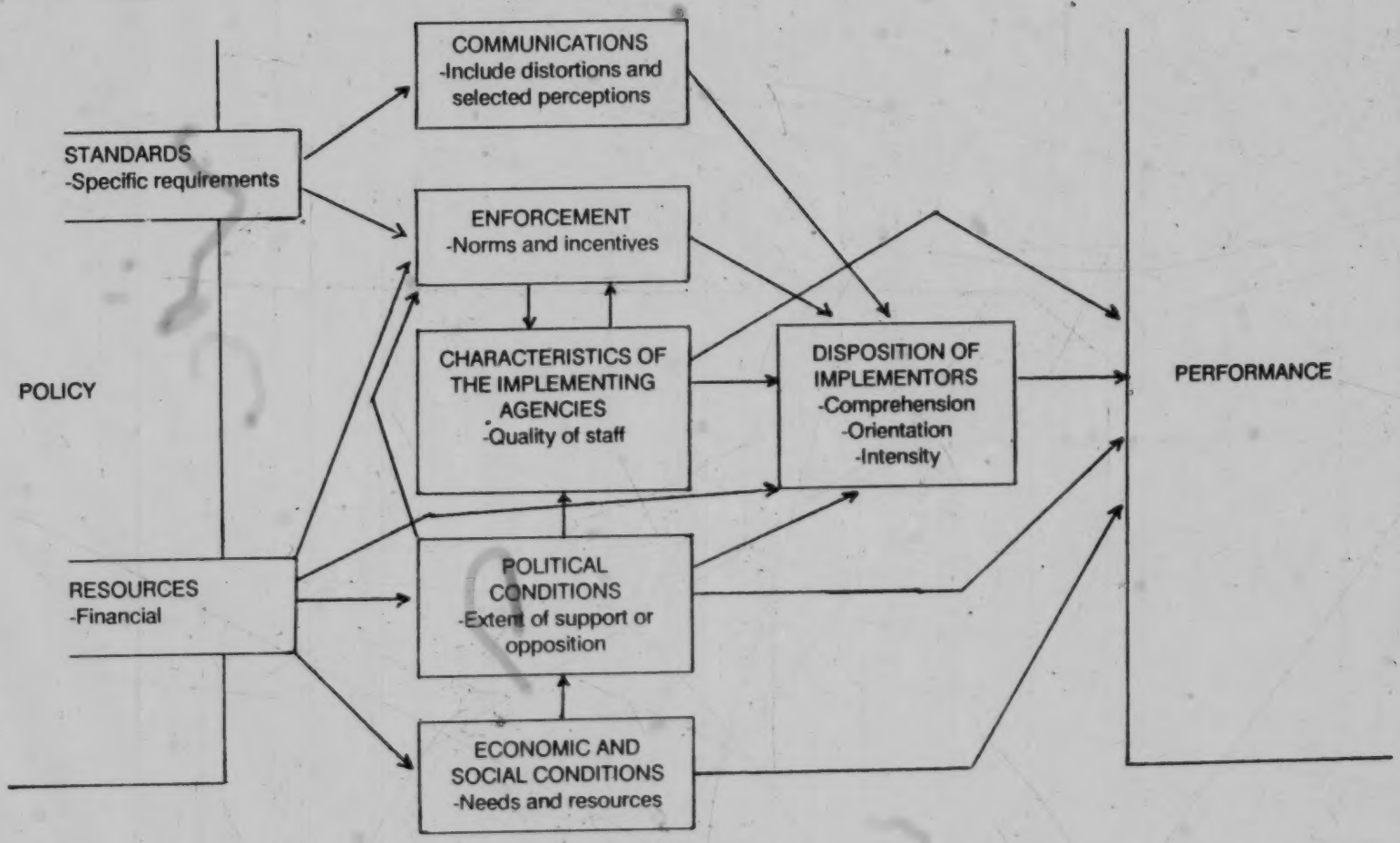


Figure 2.16

Van Horn and Van Meter's Policy Implementation Model
(Adapted from p. 106)

goals shall be implemented. Standards are commonly contained in the legislation and program regulations, but they may also be elaborated upon in such diverse sources as technical assistance guides, statements by policy makers, and news releases and brochures from the agency responsible for obtaining compliance. Policy standards tell implementors what is expected of them and indicate the amount of discretion left open to them.

Communications: Policy standards cannot be complied with unless they are communicated with sufficient clarity so that the implementors will know what is required of them. In transmitting messages, communicators inevitably distort them either intentionally or unintentionally, placing their own emphases and interpretations on what often begins as a uniform statement by the originating agency. In addition to the selective perceptions and concerns of implementors, poor communications may be caused by the original ambiguity contained in the policy standards.

Enforcement: Norms and incentives are frequently used by enforcement techniques, while the most threatening form--sanctions--is rarely used, for political reasons. Socialization, persuasion and co-optation of target organization representatives are frequent methods of influencing, as are incentives. Incentives can range from funds for administration of new programs, services (e.g., technical assistance staff loans) or assisting the target organization in obtaining physical and other resources. Sanctions, in form of withholding funds, are not applied directly for non-compliance, but may be associated with audit checks.

Disposition of Implementors: The degree to which implementors cooperate is determined by three factors: their comprehension of the policy's standards, their positive or negative orientation toward the policy's standards, and the intensity of their response. Implementors may reject the policy's objectives because they may offend the implementors' personal value systems, self-interest, organizational loyalties, or existing preferred relationships. Those holding intense negative orientations toward the policy may openly defy program objectives.

Characteristics of the Implementing Agencies: No matter what the attitude of the personnel, certain features of the agency's staff, structure, and relationships with stakeholders will tend to limit or enhance the prospects for effective implementation. A poorly led and staffed organization will be unable to conduct effective programs since they will have their hands full surviving and meeting minimum criteria.

Political Environment: The political environment of the implementing agencies affects the nature of policy performance and the implementing actions of the agencies. The extent of support for or opposition to the policy objectives by organizational superiors and by public and private individuals and groups influences implementation efforts and results, regardless of the positions of the implementors or the quality of the agency executing the program.

Economic and Social Conditions: Economic conditions, both as needs and resources, influence the chances of successful program performance. Depending on the types of need within the community the implementor may be led to accept or reject certain goals of the policy or its approaches. Likewise the extent of need may influence otherwise negatively oriented officials to embrace the policy in order to minimize public hostility or to respond to public wishes.

The authors described their model as a heuristic model designed to discover facts about the policy implementation process and to derive useful policy advice. They suggested that during different phases of the policy implementation process different factors play key roles.

It appears that this argument could be extended to encompass the policy making process as well. The factors identified by Van Horn and Van Meter were also discussed in the previous policy making models. It could be argued that the organizational and environmental factors remain the same during policy formulation and implementation, but different factors and actors come into play at different phases, and different relationships become more influential.

Dunn's Policy Monitoring Framework

Dunn (1981) identified five types of policy-relevant information: policy problems, policy alternatives, policy actions, policy outcomes, and policy performance. Dunn (1981:47-48) integrated these components into a framework, shown in Figure 2.17:

> The use of policy-analytic methods (problem structuring, forecasting, monitoring, evaluation, recommendation) permits the analyst to transform one type of information into another. Information and methods are interdependent; they are linked in a dynamic process of change which involves *policy-informational transformations*. Hence, policy-informational components (policy problems, policy alternatives, policy actions, policy outcomes, policy performance) are transformed one into the other by the appropriate use of policy-analytic methods. (Dunn, 1981:48)

The general policy analysis framework then allows Dunn to highlight or focus on any particular aspect of the policy process for more detailed examination without losing sight of the "big picture." The framework is also a reminder that information from a preceding stage may provide useful insights to the process currently studied.

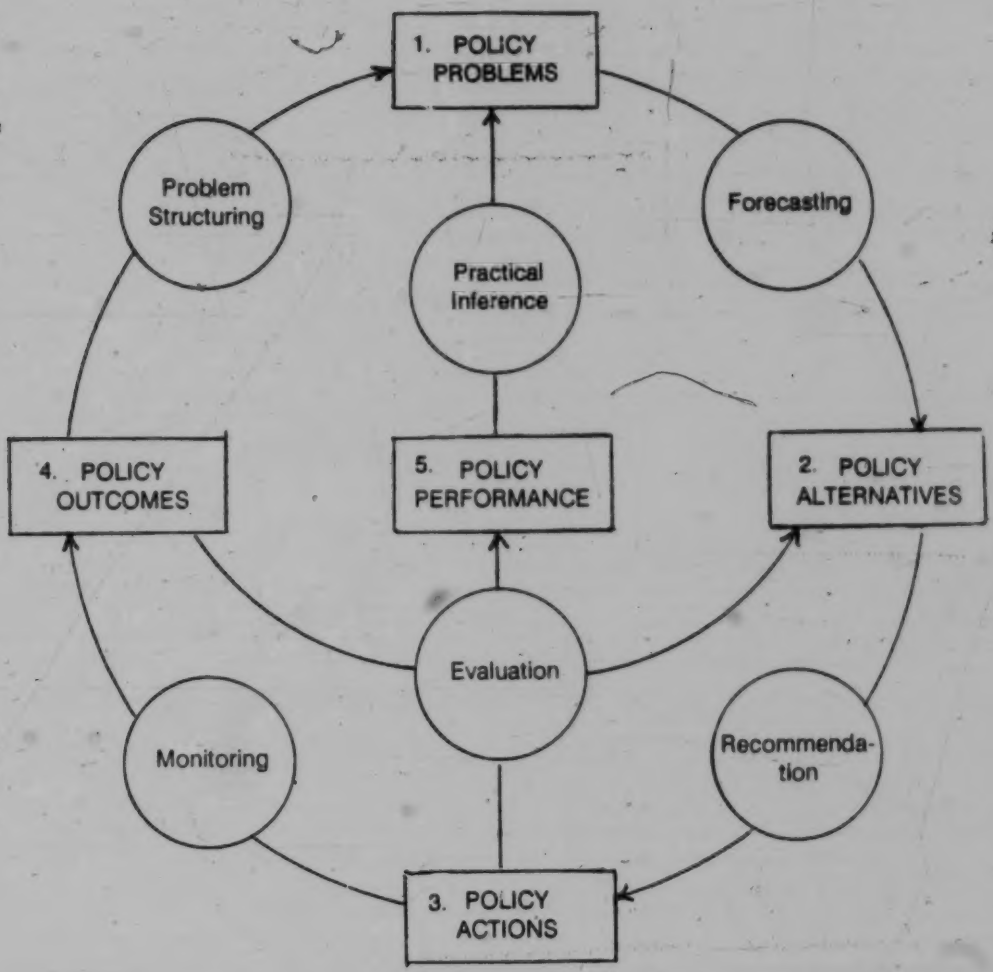
> The framework may serve as a means for synthesizing diverse assumptions and approaches to policy analysis. Integrated policy analysis may thus serve as a vehicle for bridging current gaps between approaches to policy analysis as different as descriptive and normative decision theory, disjointed incrementalism and systems analysis, and empirical, evaluative, and normative approaches to policy analysis. (Dunn, 1981:57)

Dunn (1981:286) approached the study of implementation by focusing on the policy-informational components of Policy Actions and Policy Outcomes, by use of the policy-analytic methods of Monitoring. Figure 2.18 shows Dunn's general framework for monitoring. Relevant terms are defined below:

Policy Inputs - the resources--time, money, personnel, equipment, supplies--used to produce outputs and impacts.

Policy Outputs - the goods, services, or resources received by target groups and beneficiaries.

Policy Impacts - actual changes in behavior or attitudes that result from policy outputs.



Five types of policy relevant information are related and transformed through six policy-analytic methods.

Figure 2.17

Dunn's Integrated Framework for Policy Analysis
(Adapted from pp. 47-48)

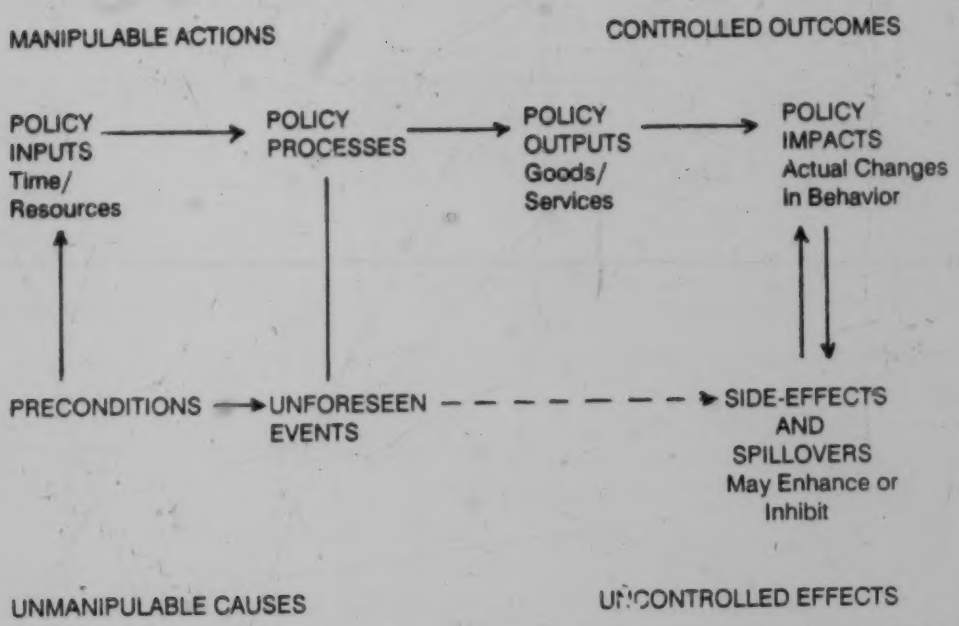


Figure 2.18

Dunn's General Framework for Monitoring
(Adapted from p. 286)

Policy Implementation - the execution and steering of a course if action over time; policy implementation is essentially a practical activity, as distinguished from policy formulation, which is essentially theoretical and concerned with the nature of problems.

Monitoring - process of obtaining policy-relevant information to measure changes in goal-focused social conditions, both objective and subjective, among various target groups and beneficiaries; it is used to produce information about cases and consequences of public policies; it allows the analysts to describe relationships between policy-program operations and their outcomes, in short, to describe and explain public policies by means of four functions: explanation, accounting, auditing, and compliance.

Dunn made an important contribution by calling attention to the unplanned and uncontrolled aspects of implementation in his monitoring framework:

> Social conditions include policy actions and outcomes as well as policy preconditions and unforeseen events that affect actions and outcomes in the course of implementation. Impacts may be immediate (first-order impacts) or secondary (second-, third-, and n-th order impacts), as when policy actions produce "side-effects" and "spillovers" beyond their intended effects. Side-effects and spillovers may enhance or inhibit the satisfaction of needs, values, and opportunities. (Dunn, 1981:286)

CONCLUSIONS

In this chapter a brief overview of policy definitions and of models applied to policy making was presented. The variety in the definitions was echoed by the variety in the models.

In Part A, models derived from politics, economics and various social science inter-disciplines were presented. Many of these models represent earlier (some as much as four decades ago) thinking about policy and politics. An approach to classifying policy models according to paradigms of government ideology was also featured. In Part B, a number of systems based models of policy were reviewed. Particular attention was given to the models of policy making which are pertinent to this study. Many of the systems based models incorporated elements from the "early" models reviewed in Part A. The literature on policy models was reviewed in preparation for addressing Research Question 5 which states: To what

extent are the policy making processes actually experienced in the field described in the literature? Models selected from this review are compared with the findings of this case study in Chapter 5.

Chapter 3

METHODOLOGY

This chapter is comprised of the description of the theoretical orientation and research strategy undertaken in this study. Case study methodology is discussed in general, followed by specific descriptions of data collection and analysis methods. The role of the researcher is noted, as are the methods for ensuring research trustworthiness.

Theoretical Orientation

Burrell and Morgan (1979) described four basic theoretical orientations or approaches to analysis, which they defined as paradigms:

> The four paradigms are founded upon mutually exclusive views of the social world. Each stands in its own right and generates its own distinctive analyses of social life. With regard to the study of organizations, for example, each paradigm generates theories and perspectives which are in fundamental opposition to those generated in other paradigms. (Burrell & Morgan, 1979:viii)

As indicated in Chapter 1, this study was conducted from the perspective which Burrell and Morgan (1979:28) labelled the interpretive paradigm, which "sees the social world as an emergent social process which is created by the individuals concerned." In keeping with the interpretive perspective, the case study was not approached with the intent of applying a particular conceptual framework in order to make sense of the data. No conceptual frameworks were discussed until themes specific to this case emerged from the data.

Qualitative Research

Qualitative research is the approach most consistent with Burrell and Morgan's interpretive paradigm. Rist (1982:44) described qualitative research in the following terms:

> The qualitative approach would contend that to understand the current conditions of education, one must describe and analyze in an ecologically valid manner the values, behaviours, settings and interactions of participants in educational settings.

Bogdan and Biklen (1982:27) discussed a number of characteristics pertaining to qualitative research. They emphasized that the natural setting should be the direct source of data, and the researcher should be the key instrument of data collection. The research should be descriptive, with the process being accorded as much importance as the products under observation. They further noted that data should be analyzed inductively with emphasis on meaning. The term qualitative research, therefore, applies generally to a body of methodologies which are consistent with Burrell and Morgan's interpretive theoretical orientation. A specific research paradigm which could be described as a translation of the interpretive orientation into research methodology is the naturalistic research paradigm.

Guba (1978) described naturalistic inquiry as one where the researcher acts as an anthropologist who approaches behavioral phenomena as if for the first time, with minimal prior preparation of theoretical categories. The research design evolves as the investigation proceeds. The naturalistic researcher also recognizes that reality has many layers and is constantly changing with respect to content, people and settings.

Owens (1982:6) described the naturalistic research paradigm in similar terms:

> The term, naturalistic, expresses one view as to the nature of reality. It is a view that the real world that we encounter "out there" is such a dynamic system that all of the "parts" are so interrelated that one part inevitably influences the other parts. To understand the reality of that world requires acceptance of the notion that the parts cannot be separated, bit by bit, for careful examination without distorting the system that one seeks to understand. The parts must be examined as best is possible in the context of the whole. It is, essentially, a phenomenological view--as differentiated from a logical-positivistic view--of reality of the world.

Owens (1982:7) described four major steps in naturalistic inquiry, which were used to guide the methodology for this study: (1) direct contact between investigators and actors in the situation should be primarily employed as a means of collecting data, (2) emergent strategies should be used to design the study rather than a priori specification, (3) data categories should be developed from examination of the data themselves after collection, and (4) generalization of the findings to a universe beyond that bounded by the study should not be attempted.

The specific methodology used in this study was the case study. Merriam (1985:210) noted about this methodology:

> The case study offers a framework for investigating complex social units containing multiple variables. Grounded in a real life context, the case study as a holistic, life-like account offers insights and illuminates meanings that expand the experiences of its readers.

This view appears to be shared by other contemporary researchers. Indeed, according to Rist (1982:440) educational researchers have come to the conclusion that "it is dangerous politically and intellectually to rely on outcome measures while one is left to guess at the process."

A number of criteria for chosing the case study methodology were defined by Yin (1984:23):

> A case study is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, when the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used.

The case study methodology was particularly suited for this research problem because in a case study "a 'how' or 'why' question is being asked about a contemporary set of events, over which the investigator has little or no control" (Yin, 1984:20).

The methodology in this study was generally consistent with Owens' (1982:7) four basic steps. In the first step, using chief actors as the primary source of data, was modified since the study took place after the development stage of MFP was completed. Data were collected from two sources, written documents and interviews with chief actors. The documents, which were provided mainly by the actors, Central Records, and the Library of Alberta Education constituted the primary sources of data. Memoranda, reports and minutes of meetings formed the bulk of the documents. The interviews served to corroborate the data obtained from documents, to add information not available on documents, to add insights and interpretations and to provide a member-check of the perceptions formulated by the researcher.

The second step, emergent strategies for research design, was applicable in this situation because the writer was engaged in a type of "detective work," following up on tips from

interviews as well as from documents. Hence, only an initial strategy was preconceived--to interview key people and to examine all available MFP related documents generated between December, 1983 and September, 1984. Additional interviewees were suggested by the originally selected group, while well known documents led to more obscure ones.

The third step, using the data as a source of categories, was also followed in this study. Data were analyzed both during and after data collection, so that emergent categories could be supported with information from subsequent interviews or document search.

Step four, not to generalize beyond boundaries of the study, was followed in that no attempt was made to state, for example, that all government bureaucracies across Canada would behave similarly in a policy development situation. From the point of view of research, however, an attempt was made to ensure that the methodology used could be generalized to other case studies of this type.

Method of Data Collection

The two main sources of data were documents and interviews. The documents were comprised of minutes of meetings, reports, and memoranda, references to which are arranged chronologically in Appendix A.

The interviews were semi-structured, and confidentiality was guaranteed upon request (see Appendix B). Thirteen chief actors were interviewed, including the Deputy Minister, the four Assistant Deputy Ministers, four directors--including one from a Regional Office, one associate director and two other officials of the department. One interviewee was an official representing a large urban school board. Interviews were conducted during October and November 1986.

The time period about which data were collected spanned from November 15, 1983 to September 1, 1984.

Interview Method

Initial contacts with interviewees were sought by the writer first through telephone conversations with potential participants. The telephone conversation was followed up with an information package which was mailed to each interested person. The package contained the dissertation proposal, a letter outlining the areas of interest vis-a-vis the interview, and a consent form (see Appendix B) for their signature. In two cases, the interviewee requested to see the actual questions prior to the interview. Confidentiality was guaranteed upon request. In honoring this guarantee care was taken not to reveal the interviewee's name when a potentially sensitive quote was used in this report.

Generally the interviewees did not specify any limitations on the use of interview data. Most interviewees stated that they relied on the researcher's judgement in presenting the material in an ethical manner. An exception to this occurred on two occasions when the interviewees made remarks "off the record." Four interviewees expressed some interest in reading the case study, while others, particularly those who were close to retirement, showed little concern about the data. Four interviewees were asked and consented to read Chapter 4 in order to provide a final assessment of the accuracy and ethical presentation of data.

The interview schedule was semi-structured, containing a number of common questions plus additional questions intended as validity checks or for eliciting comments on particular information collected by the writer. The questions were reviewed and judged appropriate by a panel of policy experts from the University of Alberta as well as Alberta Education. The list of questions appears in Appendix D. The interviewees were also asked to identify chief actors in the MFP process and to suggest other people who should be interviewed.

In 12 out of the 13 cases, the tape recorder was used. In all cases the researcher also took notes during the interview, not only regarding content but also identifying important passages on tape to be focused on later.

The interview notes proved extremely valuable to the researcher. They became the "table of contents" for each tape. They identified key statements on the tape which later, without the benefit of visual cues, might not have been noticed. The interview notes also became useful as a cueing mechanism during the transcription of interviews. The transcribed interviews were then marked off by units, and each unit was cut and pasted onto a properly indexed pink 8 x 5 card.

Methods of Data Analysis

Document analysis has been defined by Holsti (1968:597) as a "multi-purpose research method developed specifically for investigating a broad spectrum of problems in which the content of communication serves as the basis of inference." Given this definition, document analysis applies to the content of reports, minutes of meetings, and interview transcripts.

According to Holsti (1969:3) document analysis must be objective, systematic and generalizable. In Holsti's terms, objectivity implies that the analysis is carried out according to explicitly formulated rules and procedures to minimize the influence of investigator bias. In a systematic analysis the content and categories are included or excluded according to consistently applied criteria. In order to be generalizable, Holsti noted that the findings must have theoretical relevance. Given the interpretive orientation of this study, the aspect of Holsti's definition which was particularly relevant was the emphasis on consistency in categorizing data.

Before data can be sorted into categories, a system of criteria for categorizing must be established. While the development of categories depends on each particular set of circumstances, all researchers engage in a basic data-sorting approach of coding/unitizing and categorizing. Holsti (1969:94) defined coding as "the process whereby raw data are systematically transformed and aggregated into units which permit precise description of relevant content characteristics." Guetzkow (1950) took a broader view of coding and included both the separation of data into units and the classification of unitized material into subject categories, under the single term coding.

Skrtic (1985:195) described the methods that his research team used to separate units into subject categories, in considerable detail:

> Essentially, the categorization process involves sorting the unit cards into groupings of like content and devising a rule to describe the nature of the content to be included in each one. That is, the tacit knowledge we used to judge the cards as look-alikes was translated into the propositional language of a rule for classification. As the categorization process continued, a number of cards could be placed in more than one category. This is because they contained content that was related logically to the content of established categories. These cards were duplicated in sufficient number, noted as cross-reference cards, and placed in all appropriate categories.

The process of unitization and categorization in this study generally followed the procedures outlined by Skrtic: units were entered on 8 x 5 cards and ordered into categories. Three category sets were used: by date, source type, and subject.

Analysis of most documents was facilitated by clear delineation of issues and chronological identification of content. The subject categories in the interviews were guided to some extent by the interview questions. Where additional subjects were discussed the interviewees were always asked to identify documents or events relative to the subject under discussion. This information helped with subsequent categorization.

The first category set was based on chronological time during which events took place. To establish this category, all raw data were examined and white 8 x 5 reference cards were used for each document bearing the date, title, personnel or other source, cross reference to location of raw data source, and a brief descriptive note about content. The reference cards were then ordered chronologically. The information on the cards also established the source type. These two category sets, date and source, were used to develop the chronology (Appendix C).

In the second stage of analysis, the data source types were also identified by color-coding: reports--blue, memoranda--green, personal notes--orange, minutes--yellow, and interviews--pink. Eight by five cards of corresponding colors were obtained. Information from each source was summarized in units on the appropriate colored card. Memoranda and minutes were usually written in a format which was easily unitized, because these documents

generally addressed discrete, clearly identified points. In the interviews, a response to a question usually contained a number of units. For example, in response to a question about resistance to MFP, an interviewee's answer began:

> Many people who are opposed today, were not then. Because they couldn't visualize the end product. But I think there was and still is resistance today in Regional Offices, because people have been taken out of their specialty areas and asked to do several things including evaluation in areas that they are not familiar with.

This segment contains two units. The first unit deals with the ability of the staff to understand the MFP concept and translate it into operational terms. The other unit deals with the resistance in Regional Offices to the implementation of MFP. The criterion for labelling units was to use a word or phrase which would represent the essence of the content as closely as possible. The first unit in this example was labelled "understanding of MFP" and the second unit was "resistance to MFP in Regional Offices." The colored unit cards were then physically segregated into groups based on logical relationships between unit labels. Thus, the first was placed in the category called "staff interpretation of MFP" while the second unit was placed in the "opposition to MFP" category. The same process of segregation was used within each category to create sub-categories. The cross indexing of units to the chronological reference cards related the sub-categories to the temporal context of the MFP development process; for example, the changes in understanding and interpreting MFP over time could be noted.

The Role of the Researcher

The researcher was involved with Alberta Education at the time of MFP development in the capacity of administrative intern to the Assistant Deputy Minister (Finance and Administration). Since such interns were allowed to participate in key meetings within and outside of the division to which they were assigned, the writer was able to observe the development of MFP from an advantageous vantage point. In addition to being able to observe, the writer was actively involved in the committee structure developing MFP policies. The pace of work was too intense for any field notes to be made at that time. Although participant

observation was not possible, the researcher's familiarity with Alberta Education provided one advantage. The researcher knew where documents could be obtained and was able to assess whether enough documentation was available to make the study feasible. A disadvantage arising out of the researcher's involvement with Alberta Education was the possibility of acquiring organizational and personal biases. The 14 month time interval, between the researcher's involvement with Alberta Education and the commencement of this study, was useful in re-establishing objectivity as was evident by comparing samples of the researcher's writing from 1985 and 1986. The researcher's objectivity was further assured by following techniques to ensure research trustworthiness.

Research Trustworthiness

Much has been written about the scientific defensibility of qualitative research and new terminology has been created to emphasize the differences between the nature of the qualitative and quantitative tests of research rigor. These differences are outlined by Bogdan and Biklen (1982:44):

> In qualitative studies, researchers are concerned with the accuracy and comprehensiveness of their data. Qualitative researchers tend to view reliability as a fit between what they record as data and what actually occurs in the setting under study, rather than the literal consistency across different observations.

Several writers have addressed the issue of meeting the test of rigor in qualitative research (Guba, 1978; Guba & Lincoln, 1981; Rist, 1982; Owens, 1982; Le Compte & Goetz, 1982; Skrtic, 1985). The writers were basically in agreement although they sometimes used different terminology. For the purpose of this report the terms discussed by Skrtic (1985:201) are used. Credibility is concerned with the truth value of the study and could be compared to internal validity. Dependability focuses on the consistency or reliability of research methodology. Confirmability is the aspect of trustworthiness which requires evidence for the objective and accurate relationship between raw data and the researcher's interpretations.

Skrtic provided a very detailed account of the methods used in his case study to ensure trustworthiness. A summary of the methods discussed by Skrtic (1985:201) is presented:

Credibility

Triangulation - putting a variety of data sources, investigators, perspectives (theories) and methods against one another in order to cross-check data and interpretations.

Member checks - whereby data and interpretations are continuously tested with members of the various groups and audiences from which data are solicited.

Dependability

Dependability audit - in which an audit trail maintained by the investigator is examined by an external auditor to determine whether the research processes used fall within the domain of acceptable professional practice. Such processes would include systematic recording and coding procedures, and conducting reliability checks with selected respondents.

Confirmability

Confirmability audit - the "other shoe" of the audit carried out for the sake of dependability but directed toward establishing the relation between the inquirer's claims and interpretations and the actual raw data.

The two types of audits that Skrtic developed are based on injunctions made by Guba and Lincoln (1981) to leave an audit trail which should be detailed enough to (1) allow an external auditor to ascertain the credibility and reasonableness of the findings; and (2) make it possible to reproduce the study at another time.

The requirements for rigor have to be built into the study at the design stage, particularly because data collection and analysis often occur simultaneously, as well as because of the emergent nature of the study. These safeguard methods provide the primary element of predictability and regularity, while the data may lead the researcher in unanticipated directions.

Of the various methods listed in the summary above, four were selected by the researcher as an adequate combination for ensuring scientific rigor of the study. These methods include: triangulation, member checks, and the establishment of an audit trail. Of all the safeguards tested, these were found by Skrtic (1985) to be the most powerful.

Triangulation was used to ascertain credibility, or internal validity of the data collected and conclusions reached by the researcher. Triangulation was generally built into interviews, by asking interviewees to verify or assess the validity of statements made by previous interviewees. The interviewees were also asked if documents existed which would support their statements. At other times interviewees were asked to comment on documents identified by the researcher. Triangulation was done in conjunction with ongoing analysis which was performed after each interview. Triangulation also served to demonstrate ongoing auditability or reliability, and to ensure that objectivity was maintained in drawing conclusions.

Member checks provided immediate feedback about the accuracy of data and their interpretations by the researcher. Such checks were conducted not only with the interviewees but also with appropriate personnel during the search for documents. This was particularly helpful in specialized areas such as finance.

The two types of audit mechanisms which were described in detail by Skrtic (1985:198-199,204-205) were adapted. In this study the chronology, chronological reference file and the subject category cards cross-indexed to the reference cards, provided an audit trail. Since the reference cards were cross-indexed to raw data--memoranda, minutes, reports--a copy of all of which the researcher was able to obtain, all subject cards could be traced through the reference cards to the actual documents. This audit trail was often used by the researcher during document analysis and during the writing of Chapter 4, when the return to the actual documents was occasionally necessitated.

Summary

The interpretive theoretical orientation and the naturalistic research strategy were discussed in this chapter, followed by a discussion of the case study methodology which was used in this research. Collection of data--documents and semi-structured interviews--was noted. Methods of data analysis were described in some detail, followed by a discussion of the role of the researcher and the methods used by the researcher to ensure the trustworthiness of the study.

Chapter 4

CONCEPTUALIZATION AND DEVELOPMENT OF MFP: DESCRIPTION OF THE PROCESS

The subject of this chapter is the conceptualization and development of the Management and Finance Plan. The case study includes the context prior to MFP, the policy development within Alberta Education, and concludes with September 1, 1984 as the official date for MFP implementation in school jurisdictions. The development is described in terms of a number of identifiable phases: conceptual framework of policy space, policy deliberation and planning, resource mobilization, policy structuring, policy feedback and review, and policy implementation planning. The list of chief actors and their functions, and a chronology of events appear in Appendix A.

Context Prior to MFP

Several occurrences prior to December 1983 became significant in facilitating the introduction and acceptance of the Management and Finance Plan. The economy in Alberta suffered a sudden sharp decline after a period of unprecedented prosperity. This situation had a direct effect on education funding. At the same time, the provincial government had been promoting its deregulation policy toward government departments. A complementary deregulatory philosophy was apparent among school jurisdictions. This was evidenced by the number of complaints from school jurisdictions about the complexity of the school grants structure and of the claim and payment procedures. As a result of these complaints, the School Grant Simplification and Deregulation Project was launched in 1981.

The final and crucial contextual factor was the appointment of a new Deputy Minister in 1982. Immediately upon assuming office he initiated a reorganization of Alberta Education which resulted in four divisions out of the original two. At least one of the unsuccessful

candidates for the Deputy Minister's position became an Assistant Deputy Minister in charge of one of the divisions.

In addition to introducing structural changes, the Deputy Minister had a management style which clearly differed from that of his predecessor. As a proponent of "policy based leadership," he issued broad policy directions rather than detailed blueprints for action to his subordinates. A number of officials commented that some staff members had difficulty adjusting to this change. Some staff members were also uncomfortable with the philosophical direction in which many new initiatives were headed. Prior to the appointment of the new Deputy Minister, the general philosophy of the department had been to identify normal as well as exceptional situations for all major decisions and prescribe appropriate action for both types by means of specific regulations. The policy based approach of giving broad directions and allowing for discretionary action was, therefore, a significant departure in the administrative procedures. Both the Deputy Minister's style and his relationship with the staff proved to be important factors throughout the development of the Management and Finance Plan.

A final factor, which influenced the policy deliberations, was the past history of the three key "architects" of the Management and Finance Plan. The Deputy Minister, the Assistant Deputy Minister in charge of finance, and the Senior Financial Officer of Alberta Education had all been associated with the then new Financial Administration Act in their capacities as senior financial officers of their respective organizations (Advanced Education, Education, Labour) in 1977. The philosophy of government reflected in the Act was one of encouraging the decentralization of financial decision making from Alberta Treasury to the departments. As the Senior Financial Officer recalled:

> Those new philosophies and perspectives brought the three of us together. There was a common link between us--we had the same experience of decentralizing from a centralized agency to department as well as of being senior financial officers.

This shared experience later facilitated the conceptualization of the Management and Finance Plan.

Problem Sensing

The Deputy Minister was aware soon after assuming office that the financial structure of Alberta Education was no longer facilitating appropriate educational delivery in the current education context. He perceived a need for change both within Alberta Education as well as in the school jurisdictions. The Deputy Minister identified two factors that led to problems in educational delivery in school jurisdictions:

> One factor was that school boards tended to dump all of the problems on the province and the second one was that there was a continuing demand for more resources to do less or to do the same. Those were the major external factors. In addition there was the inflationary cycle, the increasing demands for salaries in the teacher and support services areas.

The Deputy Minister first effected internal changes at Alberta Education, reorganizing its structure in order to increase responsiveness to the needs of school jurisdictions.

The School Grant Simplification and Deregulation Project initiated in 1981 was retained by the Deputy Minister, but the committee had to limit their proposals to the restraints of existing budget. Since any grant simplification would necessarily entail extra funding to effect the transition to a new funding structure, the committee was effectively confined to incremental change proposals. These proposals satisfied neither the Deputy Minister nor the school boards, as one of the committee members recounted.

During his first year in office, therefore, the Deputy Minister perceived problems with responsiveness to current educational needs, both within the mechanisms of Alberta Education and the school jurisdictions. In order to identify the problems more clearly, a number of initiatives were launched.

Issues Definition

The underlying philosophy of the initiatives of 1982-83 was to identify mechanisms which would enable decisions to be made at a level closest to the point of implementation. The Program Deregulation Project was initiated in 1982 in keeping with government's move toward

reduction and simplification of regulations. In 1983 the Delegation of Authority and Responsibility Project reviewed School Foundation Program Fund regulations and Alberta Education Grants Order to identify areas for potential delegation of authority and decentralization. Also in 1983, the Grants and Claims Computer Subsystems Project endeavored to improve the Educational Information System which originated in 1977. Another initiative related to the funding structure was the somewhat controversial Minister's Task Force on School Finance, whose final report was released on September 15, 1983. A more specific funding review studied alternative funding structures for Special Education. The recommendations from this review were submitted to Education Officials on November 25, 1983. In addition to the above reviews, various branches of Alberta Education were collaborating on the development of provincial evaluation policies. As one Assistant Deputy Minister recounted, Alberta Education came under criticism for being engaged in a large number of initiatives that appeared to be not well coordinated.

In addition to these initiatives, the Deputy Minister was attempting to maximize the effectiveness of the human resource deployment in the department. Additional personnel were hired, particularly in the newly created Planning and Evaluation division, and specifically in the policy area. The Deputy Minister was also reviewing the role of Regional Offices. As one Assistant Deputy Minister recalled: "There was a search for some time for a way to make the Regional Offices more active participants of Alberta Education as opposed to a 'we-they' orientation. MFP provided a mechanism for it. The Regional Offices are key actors in the operation of MFP."

The Management and Finance Plan (MFP) also became an umbrella coordinating mechanism for the various initiatives described above. As the Deputy Minister asserted: "We'd already been moving in that direction, this was just an opportunity to do it more quickly."

The factor which enabled the coordinated transformation of the funding structure and the change from regulation based to policy based administration, known as the Management and Finance Plan (MFP), appeared in November 1983 in the form of an unexpected opportunity

to reallocate 2% of the Alberta Education budget to priority areas other than teachers' salaries. Without these additional funds, which eventually grew to 20 million dollars, the intended changes would have occurred incrementally over a long period of time.

The enabling financial factor appeared at a time when Government encouraged decentralization, when various initiatives to deregulate and simplify were already under way in Alberta Education, and when the Deputy Minister, Assistant Deputy Minister (Finance) and the Senior Financial Officer shared the common experience of decentralization of finance to government departments. In addition, as one official pointed out: "What we had was a new Deputy who had a style that the Minister supported. I think Mr. King had a desire to put his stamp on education and certainly any kind of thrust or new direction would get his support."

The Deputy Minister summed up the contextual factors which facilitated the launching of MFP:

> There was a nexus of factors--the fact of high inflation, the board were focused on input not the product, the Auditor General wanted some achievement measure of why you spent the money, Treasury wanted to provide an increase without it causing greater inflation, I wanted to get the boards to focus on the outcome of the system, and the Minister agreed with that approach. All those factors formed a nexus which resulted in the Management and Finance Plan.

Thus, the Deputy Minister weighed the facilitating external factors against the pressure on Departmental staff caused by the short timelines and decided in favor of MFP.

Conceptual Framework of Policy Space

The Deputy Minister had a megapolicy in mind which would lead to a policy based, results oriented education system. The megapolicy or master policy consisted of three components: legislative, curricular and operational. The operational component, which became MFP, was launched first, but work in the remaining two began shortly thereafter. By April 1, 1984 the initial discussion paper on the new school act was released, and surveys for the Secondary Education Review were conducted from March 1, 1984 to June 30, 1984.

The megapolicy was never articulated under that label, but particular aspects were articulated in the documentation pertaining to each of the three initiatives. The most notable of these is *Partners in Education: Principles for a New School Act* which was released on January 11, 1985. The outline of the Deputy Minister's megapolicy was incorporated into the introductory statements of the document:

> While legislation must provide for a system of education, the "system" must evolve from a need to meet a stated purpose of education and to recognize and respond to the individual needs of the student, the needs of parents and the needs of the community and the larger society within which we live. The system of education is not, and must not become, an end in itself. Flexibility, responsiveness, access and equity are key factors in directing education towards the needs of students, parents, the community and society. It is intended that the Principles enumerated throughout this Paper reflect an orientation to meet those needs. (Alberta Education, 1985:p. 3)

An outline of the structural vehicles for the implementation of the megapolicy appears further in the introductory section:

> The review of the *School Act* is not an isolated initiative of the Government of Alberta. It is the vehicle through which the other initiatives in education will be formally implemented. The Management and Finance Plan (described in Appendix I), the five evaluation policies (student, teacher, program, school and school system), studied responses to various Ministerial Task Forces, the Review of Secondary School Programs, the reports of the Committee on Tolerance and Understanding and the Private Schools Study will all be considered in the development of the new legislation. The School Act Review represents the coordination and consolidation of all these initiatives which, taken together, represent a sweeping, concerted effort to effect enduring improvement of education in Alberta. (Alberta Education, 1985, pp. 4-5)

The Deputy Minister declared that the above statement is a key description of his personal agenda for change in the education system, and that MFP was an opportune starting point: "I saw it as an opportunity personally to turn the system around and focus upon what we were trying to accomplish and less upon more and more resources to accomplish who knows . . . whatever it was." When the Deputy Minister learned of the possibility of receiving extra funds he was faced with assessing the feasibility of initiating a major restructuring of the grants system. Internally, it was a question of whether it was operationally possible to accomplish the restructuring within the month of December, in time for budget approval. Externally, it was a question of whether this initiative could be implemented top-down without creating too much stakeholder opposition.

The Deputy Minister took the opportunity to test stakeholder reaction at an ASTA convention in Calgary on November 30, 1983. At this point he had a very broad idea of what changes he wanted to make. He presented this as a hypothetical situation in a discussion with trustees:

> I knew what the goals would be--the exact configuration, no. And I didn't want to frame a vision of what the configuration would be. But I envisioned a system of education in which the component parts would be focused upon having a purpose, focused upon children and focused upon effective education, deploying all of their resources in the best way possible to meet the educational needs of children.

The trustees, according to the Deputy Minister, when discussing a preferred future scenario envisioned spending more money on the same activities in which they were already engaged. On his return from Calgary on Thursday, December 1, 1983 the Deputy Minister discussed his tentative plan with the Senior Financial Officer, and later with the Assistant Deputy Minister of Finance. As the Senior Financial Officer recalled: "MFP wasn't a new idea at the time. The *new* part was pulling a whole bunch of things together into one, but not *one* element was new. It really was to a large degree PPBES revisited. The policy perspective used in pulling it together was new."

Because of past experience and personal tendency toward the policy orientation, the Senior Financial Officer was comfortable with the proposed changes from the beginning. The plan as outlined to the Senior Financial Officer and the Assistant Deputy Minister consisted of the following points:

1. Simplification of the grants structure.
2. Block funding on resident pupil basis where possible and appropriate.
3. Decentralization of responsibility within Alberta Education.
4. Local responsibility as to how programs would be offered.
5. Approval of special needs grants by Regional Offices.
6. Change from regulatory approach to a policy approach.

The two most senior financial people of Alberta Education discussed the feasibility of restructuring the funding system internally within one month and being able to begin implementation externally by September 1, 1984. As the Deputy Minister recalled of this time:

> The immediate reaction was 'you are crazy,' the second reaction was 'maybe we can do it.' By Friday [December 2, 1982] afternoon it was 'we think we can do it as long as we don't have to implement it fully, and we have a year or so to develop it with local communities, because this is a top-down kind of thing and we appreciate that this is not the way in which we'd like to do it.'

During the first five days (December 1-5, 1983) the Deputy Minister, Assistant Deputy Minister (Finance) and the Senior Financial Officer were the only people who knew of the proposed plan. In the subsequent several days, while an additional small number of people were informed, only the two senior financial people were involved in the planning of the restructuring of the funding system. There is no documentation available until the December 5, 1985 working paper; therefore, all the information from this period was obtained from interviews.

On Friday afternoon, December 2, 1983, the Deputy Minister requested a three-page proposal to be developed in time for a meeting with the Minister at 8 o'clock Sunday evening (December 4, 1983). The proposal was prepared and presented. As the Deputy Minister recalled:

> By late Sunday night Mr. King had agreed that it was good stuff. He took it to Cabinet on Monday [December 5, 1983], Priorities Committee on Tuesday and within 10 days [from the initial discussion of December 1, 1983] we had it approved by Priorities Committee and by Cabinet.

The Assistant Deputy Minister commented on that weekend endeavor:

> On the weekend [December 3, 4, 1983] John was in, John and I, Reno came in on Saturday. I had reframed, went from the existing structure, and basically speaking that's when we came up with the special needs area and reclassified our grants system. And I didn't know what we were talking about at the time but I knew that we could take the research that we had done, and do some more and roll this out in another way.

This information was corroborated further by an official in the finance area:

> What I remember is the idea being generated somewhere between the time they left here to go to the Minister's office and the time they came back with the plan. John sat up all night and came back with the concept of the thing [the December 5, 1983 working paper]. Then we [finance management] heard about it the next morning. He had some of our people writing out his charts--they didn't have a very clear idea of what it was all about and neither did we at that time. All they knew was that something was happening

> and it was a big deal because they had to have it done right away. Then it must have gone to Education Officials. They went through it, and I don't think anybody really understood it either at that point.

Because of the extremely short time lines involved, there wasn't much opportunity even for the individuals in the inner group of architects to take the necessary reflection time in order to become philosophically and intellectually comfortable with the proposed changes. This became a factor in the initial feasibility assessment and related discussions. It was fortunate, in terms of the successful launching of MFP, that at any one time at least one of the original architects was confident enough in the plan to be prepared to accept the attendant risks. The initial philosophical positions of the chief architects, as reported by an official close to the Deputy Minister, were well known among the finance staff:

> Initially the Senior Financial Officer was a lot more receptive to it than the Assistant Deputy Minister was, because the Assistant Deputy Minister was quite comfortable with the system that was in place. He'd been a part of its development--it was kind of his system. So he had some initial resistance to it, and particularly thought that it couldn't be done so quickly. But then he came to realize quite soon that we wouldn't have the opportunity to do it later on, and so he became one of the major proponents of the plan, but certainly he resisted it initially.

Once the chief architects of MFP were satisfied that the plan could be realized even given the short time lines, the proposal for MFP was officially announced on December 5, 1983 at a meeting of Education Officials. Given the initial mixed reactions of the chief "architects," the Deputy Minister did not want to waste additional valuable time on reopening the discussion of feasibility: "Education Officials were informed without much opportunity to influence it."

Policy Planning and Deliberation

Another item on the agenda of the December 5, 1983 meeting of Education Officials was the report of recommendations for block funding of Special Education. This report, which was submitted to the Assistant Deputy Minister in charge on November 25, 1983, stated two main aims of the funding review in the introduction to the executive summary: to "shift the focus from the forms back to the needs of each exceptional student" and to provide "clear identification of

accountability at the local level." The executive summary contained a list of seven characteristics of the Special Education funding proposal:

1. It reflects an alignment of Special Education funding with Alberta Education principles.

2. It reflects an attempt to integrate Special Education funding with existing departmental practices.

3. It explicitly increases the level of local decision making with regards to the provision of Special Education services while also recognizing the responsibility of each jurisdiction to serve he specific needs in their area.

4. It establishes a leadership function for Alberta Education in the development of appropriate policies related to the provision of Special Education services for all exceptional students.

5. It enhances the role of Alberta Education in the development and evaluation of Special Education programs.

6. It reduces the need for duplicate administrative infrastructure at the school jurisdiction and departmental level related to the completion, processing, approval and individual payment of claims for Special Education services provided.

7. It maintains the impetus to provide Special Education services without dictating the exact nature of the service.

The concluding statement of the executive summary foreshadowed the readiness of Special Education Services Branch to be integrated into MFP:

> It should be noted that the principles identified in the November 25, 1983 proposal apply equally well to other programs which are funded discretely. The approach recommended does not take away the stimulus aspect of the funding but it does remove the appearance of leadership in the form of prescriptive program approval. The function of the Special Education Services Branch will need to change to reflect this change in the role and the Special Education consultants in Regional Offices must be prepared to assume a more central role in policy development, program evaluation, and follow-up.

The Assistant Deputy Minister of Program Development noted that, in launching MFP, the Deputy Minister's thinking was exactly parallel to the thinking in Special Education which gave rise to the above mentioned funding proposal. Indeed the Assistant Deputy Minister considered the Special Education initiative to have been the preliminary work for MFP, which was subsequently broadened to encompass the whole department: "The genesis for some of the work in MFP prior to that December 1983 period was the work done in Special Education. So the work that John and Bill had done had a little bit of a head start. I think that it probably helped in how fast they got their work done."

The Deputy Minister's assessment of the Special Education plans was more guarded because without the extra injection of funds all departmental initiatives could only proceed incrementally:

> At this point in time we hadn't decided that we would collapse the Special Education grants [into a block]. It was only 'if it were possible' we would do that. And there had been some talk about it but we had not moved anywhere near to providing a block grant for Special Education.

In order to maximize the likelihood of the approval of MFP by Government, the Deputy Minister met with the Auditor General. The Deputy Minister explained how the principles underlying MFP would coincide with the Auditor General's plans for changing the audit process. The Deputy Minister recalled of his successful mission: "The Auditor General was delighted about it, so he was a strong supporter."

On the assumption that Cabinet would give approval for MFP and the budgetary allocation, the Senior Financial Officer, the Assistant Deputy Minister (Finance and Administration) and the staff of Financial and Administrative Services Branch were engaged in intense financial planning, budgeting, and grants restructuring during the period between December 5, 1983 and December 21, 1983. At that point those were essentially the only people actively involved in the MFP project, with the rest of the department becoming involved a month later when the committee structure was put into operation.

Although virtually all the early MFP documents were authored by the Senior Financial Officer and his key role in financial planning of MFP is indisputable, the Assistant Deputy Minister (Program Development) felt that the efforts of the Special Education people should be recognized in relation to MFP planning and deliberation:

> I gave advice extensively at the beginning of the project, prior to all the committee meetings. We shared everything that we had with John and Bill, and explained what we were doing. And I know that they basically worked over one weekend, or John worked over one weekend, and took that Special Education funding proposal and broadened it and built in the other things that were needed. And from then on in I guess it was a constant barrage of meetings, phone calls and the usual stuff in that regard.

While the three chief architects of MFP recognized the efforts of the Special Education experts, they did not share the views of the Assistant Deputy Minister (Program Development).

After the introduction of MFP to Education Officials on December 5, 1983, the Assistant Deputy Ministers began to become involved in deliberations and discussions of MFP, since each one would eventually be responsible for the implementation of MFP in his division. Because of the Deputy Minister's style of giving broad policy directions rather than detailed plans, difficulties with understanding exactly what was to be done soon surfaced. These same difficulties were subsequently felt within the lower levels of the hierarchy as well. One official described the difficulties in the following way:

> I think often those of us in the bureaucracy or people out there trying to read the message don't pick up the direction. They think 'well, the final plan is in the top drawer.' I don't think the <u>plan</u> is in the top drawer, I think the direction must be there.

All the information available on MFP at that point was the December 5, 1983 discussion paper written by the Senior Financial Officer. This paper, entitled "Proposed Decentralized Policy Approach to Block Funding with Emphasis on Post-Audit Monitoring" was necessarily at a general level, and with a financial bias. As the planning continued the paper was revised on December 12, 14 and 16, 1983. This paper introduced MFP as an initiative that

> provides the Department of Education the opportunity to complete the implementation of the reorganization by requiring fundamental changes to the mandate and roles of the four structural divisions, management styles and administrative systems through the process of a fundamental restructuring of the existing school funding framework.

The terms "reorganization" and "decentralization" gave rise to speculations about a hidden agenda for MFP. The Deputy Minister tried to counter the impressions that the main purpose of MFP was to reorganize or the decentralize, with mixed success:

> We didn't introduce MFP in order to reorganize." But MFP fit the same philosophy that told in 1982 that we were making decisions in the wrong place. It was just made abundantly clear by MFP and so MFP gave us an opportunity to change where decisions were being made.

In the same manner the Deputy Minister emphasized that MFP was not introduced in order to decentralize. The aim was to ensure that decisions were being made in appropriate places which called for decentralization of some decisions and centralization of others.

The main difficulty people had in interpreting broad policy directions was in attempting to translate them into operational terms and to envision the implemented product. Asked if Education Officials had a clear idea of what the end product of MFP would be, an official close to the Deputy Minister replied: "Only in very general terms. Only in terms of the goals and the anticipated outcomes. In terms of the specific nature of what it ended up looking like--I can honestly say no." Even the Senior Financial Officer may have misinterpreted the Deputy Minister's intentions slightly. While the Deputy Minister intended MFP to be a metapolicy--the operational arm of his megapolicy or policy on policy making--the Senior Financial Officer referred to MFP as a megapolicy or master policy in the December 14, 1983 version of the working paper. It would seem that all that time the Senior Financial Officer's interpretation was not as broad as that of the Deputy Minister, focusing primarily on the financial aspects of the education system.

While people in the finance area were working intensely on budget documents which would convince Cabinet to approved the MFP initiative and the extra funds, the School Buildings Branch was completing a proposed 1984-88 Capital Plan. This plan did not follow MFP principles, particularly those of policy basis and local discretion, and people involved in MFP planning maintained that the Capital Plan should be redone. The School Buildings Branch, however, successfully resisted becoming part of MFP and the Capital Plan was approved.

On December 10, 1983, the Priorities Committee of Cabinet reviewed Alberta Education's proposed 1984-85 budget. On that date Cabinet tentatively approved the budget and the new financial structure. The Senior Financial Officer recorded the proceedings in a memorandum to the Assistant Deputy Minister (Financial Administration) dated December 12, 1983. Cabinet was represented by the ministers comprising the Priorities Committee: Mr. Lougheed, Mr. Russell, Mr. Moore, Mr. Koziak, Mr. Crawford and Mr. Hyndman. Others present were civil servants representing Auditor General, Alberta Treasury and Cabinet: C. MacKenzie, B. Stothart, D. Pretzlaff, G. Trogen, A. F. Collins, and G. de Rappard. Alberta Education was represented by the Minister--Mr. King, Dr. Bosetti, Dr. Duke and Dr. Myroon. It was decided at this meeting that there would be no increase in the School Foundation Program Fund per pupil rates and that $18.8M would be reallocated into priority areas. The Priorities Committee also requested that a report explaining the new grants structure be provided to Cabinet before news release, and that a copy of the news release be provided to Cabinet prior to release.

The Minister's most significant contribution to the successful launching of MFP was the campaigning that he did prior to and during the meeting with the Priorities Committee. The Deputy Minister's special assistant commented on the Minister's efforts:

> We couldn't have sold that politically without David's commitment that it was a good idea and that he was prepared to sell it. He met with Mr. Hyndman and other people on Priorities Committee. He seized it as an opportunity and was prepared to go with it. I think that was a key factor.

As the budget implementation date of January 15, 1984 approached closer the financial people worked overtime in order to have the new funding structure and budget at a stage where it could be implemented by the deadline. The Senior Financial Officer was known to work regularly 15 hours per day in order to complete this stage of MFP planning. Among the problems inherent in these activities were the development of new criteria on which funding would be based, and the development of funding rate formulae which would not result in payments lower than the 1983 levels. At the same time certain prior funding commitment had to be honoured and others had to be phased out over time. All of these requirements had to be

met with the limited extra funding available. The internal correspondence in the finance area attests to the highly focused nature of planning activities. By December 12, 1983 specific aspects of internal implementation were discussed. In the memorandum titled "Identification of Administrative Policy Implementation Issues for Proposed 'Decentralized Block Funding System with Emphasis on Post-auditing,'" the Senior Financial Officer stressed the need to identify all administrative implementation issues as a basis from which plans could be made identifying activities, target dates and responsibilities. He listed 26 administrative issues that he identified for review. He described MFP as a massive undertaking that would change fundamentally all four divisions. It took most participants much longer to realize fully the implications of the MFP initiative.

In another December, 1983 memorandum, titled "Costing/Funding Methodologies for 'Special Needs' Grants as Part of Decentralized Block Funding System," the Senior Financial Officer discussed six possible methodologies of implementation for consideration by Finance. Three methods dealt with the payment on pupil served basis (service counts) and three dealt with resident pupil count basis. The finance staff kept pace with the Senior Financial Officer. As a December 14, 1983 memorandum from the manager of the Grants Administration Unit to a financial consultant indicated, as early as four days after the tentative approval of MFP, the Grants Administration Unit already progressed from theoretical considerations to very basic issues. This memorandum contained 11 specific implementation issues, such as problems associated with options for date of conversion; timelines for boards to have policies and program standards in place; effective date for grant rate changes; information needed on computer files; types of student count to be used; handling of retroactive funding approvals, guidelines for minimum record requirements at the board level; and other, specifically financial issues.

Once the purely financial aspects of grants restructuring and budget planning were well under way, the Senior Financial Officer turned his attention to the coordination and implementation problems inherent in a project of MFP magnitude. In his December 14, 1983

version of the working paper he addressed some of the upcoming implementation issues. The working paper, titled "Decentralized Policy Approach to Block Funding with Emphasis on Post-Audit Monitoring" discussed the following MFP areas:

- "Megapolicy" statement and objectives
- Block funding structure rationale
  - Foundation block (SFPF)
  - Capital program block
  - Special needs grants block
  - Equity grant block
  - Other support program grants
- Block Funding Structure
  - Comparison of existing to proposed
  - Conversion of existing to proposed
- Funding functional areas for change and reallocation
- Principles of policy approach to block funding process
- Policy approach to block funding cycles and processes
- Summary of departmental functional implications
- End-results of restructured funding opportunity
- Implementation strategy
- Implications to mandate and activities of each division
- Recommendations to Education Officials

The last item--the recommendations--was very important, since virtually all the recommendations were approved, adopted or enacted. This paper therefore had implications for the balance of MFP development and implementation. The recommendations were as follows.

1. Policy approval of concepts from internal working paper.

2. a. The Planning and Evaluation Division to integrate internal working paper on departmental 1984-1985 strategic planning, and rationalize megapolicy on ongoing basis.

   b. Planning and Evaluation Division to develop a "master implementation plan" with responsibilities, target dates, etc.

3. Education Officials to form a Steering Committee and decision body from planning to implementation.

4. Each ADM to be responsible for divisional planning and implementation.

5. Professional information and training packages to be developed by Communications for:
   - departmental staff
   - school jurisdictions
   - public information.

6. One person from Planning Services to act as Project Manager. Purpose:
   1) Provide contact/advice for implementation teams prior to review by Education Officials
   2) Ensure consistency of progress and development of implementation teams
   3) Manage the conversion and implementation.

7. Approve the Implementation Team in terms of reference chair person, members, dates, (other teams may be necessary).

This working paper was prepared for presentation at the December 14, 1983 meeting of Education Officials. Prior to the meeting the Deputy Minister discussed the paper with the Senior Financial Officer. Of particular interest was Recommendation No. 6--the appointment of Project Manager. The Deputy Minister asked the Senior Financial Officer to accept secondment into the role of Project Manager.

The Senior Financial Officer was in actual fact managing the project up to that point, and his recommendations were written strictly in keeping with organizational logic, as he explained:

> My proposal specified a person from Planning for the coordinating position. The reason for that was that the other three divisions are line divisions. Planning Services is a branch which provides planning types of services to the whole department. And so it made eminent sense: where are you going to pull somebody from? Also, somebody from Planning Services would be the least committed to the way things are. So *Planning Services was an* <u>obvious</u> one.

The Senior Financial Officer's personal preference would have been to continue managing the project. The general expectation in the department was that this would indeed be

the case. The Senior Financial Officer, in "one of the most difficult decisions of my life," declined the offer of the Project Manager position, as he considered that to be the wiser course of action for a number of reasons.

The Education Officials' meeting opened after this conversation. The meeting began with the Assistant Deputy Ministers' reactions to the reallocation of funds, and continued with a presentation on the preparation of the grants structure report for Cabinet. Following this the Senior Financial Officer presented the working paper. A key decision to be made was the selection of project chairman. The Assistant Deputy Minister (Finance and Administration) recalled discussing this question prior to the meeting:

> I've met with Reno, and the question was how shall we set this up organizationally. And we were considering once again to have John head the project. In terms of the implications of that, the work that would need to be done in Finance, I suggested to Reno that we not do that. John had more than he ever wanted to do just by the follow-through that would inevitably fall on his desk and his daily responsibilities, so I suggested we get someone from Planning, the policy area, and specifically Gary Zatko.

After the Senior Financial Officer's presentation, discussion ensued and the following decisions were made as summarized from the minutes:

1. The December 14, 1983 working paper would be reworked by Planning and Evaluation Division to emphasize the educational policy perspective (local autonomy and leadership in special needs area).

2. Order of items should be changed: objectives and goals should be outlined first, the financial aspects should follow.

3. Assistant Deputy Ministers should name representatives from their Divisions for the various MFP committees.

4. In accordance with recommendation 6, Myroon would act initially as Project Coordinator, with Zatko taking over this task on December 21, 1983.

5. All other recommendations were approved in principle.

The Senior Financial Officer's personal notes of that meeting indicated that the two project managers would meet with the Assistant Deputy Ministers and the suggested committee

chairmen, in order to finalize the terms of reference and the appointments to MFP committees. The notes also contained a tentative plan for the public introduction of MFP which included a news release followed by seminars. 'How much to tell jurisdictions' was discussed, resulting in a recommendation that each Division identify all consultation issues, implications, potential problems and ways to resolve them.

The prospective Coordinating Committee chairman's first duty was to rework the December 14, 1983 working paper in accordance with the directions given by Education Officials. Although the Senior Financial Officer expected he would assume an advisory function and was prepared to do so, he reported that his advice was never requested. Perhaps as a back-up measure he revised his December 14, 1983 version in accordance with the new directions and released it on December 16, 1983 under the title "The Management of Education Internal Working Paper Draft."

The Assistant Deputy Minister had a somewhat different recollection of these events:

> So Gary Zatko took the very sketchy material (because I had just prepared a two to three pager that King went to Cabinet with). Gary took that, worked on it the following weekend and fleshed it out a little more, and that became our formal statement to Cabinet. I remember editing that on Sunday. Gary dropped it off at my place. That was the preliminary statement. Then John Myroon picked that up and he actually worked it into a broader concept. And that is what became part of our speeches, a big part of what we were saying MFP was going to be.

The December 16, 1983 paper released by the Senior Financial Officer contained the following "megapolicy" statement, which was consistent with his interpretation of MFP at that time:

> The restructured funding framework of Alberta Education should use a block pupil-based system with emphasis on post-audit monitoring with the aim of providing funding to school jurisdictions in a highly simplified administrative process, optimizing local autonomy and internally to finalize the reorganization.

In accordance with the directives from Education Officials, second on the list of specific objectives of MFP was the increase of local autonomy and flexibility. Similarly the rationale for the special needs grants block reflected the broader perspective suggested by Education Officials--local autonomy and Alberta Education's enhanced role in the development and

evaluation of special programs, are both featured. The paper elaborated on a number of aspects contained in the December 14, 1983 version, and thus became a comprehensive implementation proposal. The implementation strategy featured two aspects--integration and differentiation. Integration consisted of interdivisional implementation committees which would develop policies, guidelines and procedures. Pertinent branch directors were suggested as chairmen of these committees. Differentiation placed the responsibility for the implementation of each division's particular mandate on the shoulders of each Assistant Deputy Minister. Furthermore, 32 implications for the mandate and activities of each division were listed.

Education Officials were to be the overall coordinating and decision making body. It was recommended that the Planning and Evaluation Division be made responsible for integrating the internal working paper into 1984-85 departmental strategic planning and that they develop a master implementation plan. Education Officials were to act as a steering committee in this endeavor. Most of the recommendations in this paper were eventually followed.

On December 20, 1983 the Senior Financial Officer and the financial staff were completing budget details, in readiness for budget presentation to Cabinet on December 22, 1983. In a meeting with the Assistant Deputy Minister of Finance and Administration Division later that day, dollar allocations for all grants were finalized and information for the news release was submitted. It was agreed that advance notice should be sent to school boards prior to the news release. Various aspects of MFP implementation were also discussed, including positive and negative implications for the internal and external environments. According to the Senior Financial Officer's personal notes from the meeting, eight positive internal implications were discussed, mostly dealing with simplification of procedures, decentralization of authority to Regional Offices and their shift from a consulting to a monitoring role. The internal negative implications included staff retraining, downsizing, and uncertainty. Among the positive external implications were increased local autonomy, simplified access to funds and increased local accountability. The negative external implications included the rapidity of the change, lack of consultation, and the inefficiency of the grandfathering of grants.

While the "fine-tuning" of the budget was in process, a potentially serious problem arose. It appeared that Alberta Treasury did not interpret Cabinet's deliberations of December 10, 1983 as approval of the fund reallocation. As described in a December 21, 1983 memorandum from Myroon to Duke:

> Doris Pretzlaff called today with respect to the [Treasury's review of December 10, 1983 Priorities Committee decisions]. She asked for my understanding of the 2% increase in Vote 2 as described in item 1.b of my December 12, 1983 summary of Priorities Committee decisions. I indicated that it was this Department's understanding that no further activity was required between Treasury Officials and Officials of this Department with respect to the volume increases and decreases because of the "netting-out" effect as indicated by Mr. Koziak.
>
> She clearly indicated that this was not the understanding of Treasury Officials and as such their view will be reflected in the Official Minutes. . ...
>
> If Treasury's position becomes the official government position on the 2% increase in Vote 2, then we potentially have a serious dilemma in that we are preparing a restructured funding breakdown on the assumption that we have $18.731 M to reallocated into priority areas. . . .
>
> If for some reason, Treasury and/or Priorities feel that our volume increases are not valid, then I assume the result would be to decrease our Vote 2 estimates accordingly. . . . the Deputy Minister of the Department of Education should write to the Deputy Minister of Executive Council indicating our understanding of the Vote 2 decision. The rationale for sending this correspondence to Mr. de Rappard would be because of our need for making public announcements.

A number of urgent phone calls and a timely memorandum from the Minister to the Premier finally averted the problem.

Resource Mobilization and Alignment

December 21, 1983 marked the start of the second phase of MFP development--a transition from an exclusive involvement by a small group of "architects" to a department-wide involvement which crossed all four Divisions and all levels. On this day Zatko officially became the chairman of the Coordinating Committee, and the first official list of MFP committees and their members were circulated.

The makeup of the Coordinating Committee was conspicuous by its lack of influential power figures. There were five people in addition to the chairman on that committee:

- Lana Black - policy consultant on secondment from the Edmonton Public School System
- David Matheson - research intern (University of Alberta)
- Dr. Ken Nixon - Associate Director, Edmonton ROE
- Dr. Larry Rappel - Director, Student Certification
- Tom Milne - former intern, incumbent of a project position in Financial and Administrative Services Branch.

The choice of chairman of the Coordinating Committee did not inspire immediate confidence among some members of Alberta Education. The following comment by one official summed up similar observations by a number of interviewees:

> It comes back to the idea that this started out as a Finance project and got taken over by Planning, by a new guy on the block who did not pass the "old boys' test." He's a non-educator. And a non-educator telling us how to run our system is heresy. Coupled with that, his being resident in a new Division, in a new Branch that people suspected right from the beginning--there was a lot of excess baggage being carried by the whole thing. Whether he was right or wrong is irrelevant, the fact that he was seen as a non-educator, a new boy on the block--before he even started work he had some enemies.

In the interval between December 14, 1983 and December 21, 1983, before assuming his new role of chairman, Zatko began the development of the Coordinating Committee's work plan.

The new Coordinating Committee chairman's first official document was a December 20, 1983 MFP budget proposal, as requested by Education Officials at the December 14, 1983 meeting. The document, titled "AE Proposed Allocation of Funding and New Budget Structure for the 1984/85 Budget Year as Tentatively Approved by the Finance and Priorities Committee of Cabinet on Dec 10/83," was a reworking of the December 14, 1983 version of the departmental working paper. This paper, written under the guidance of the Assistant Deputy Minister (Finance and Administration) was submitted for comment to the Senior Financial Officer by the Assistant Deputy Minister (Planning and Evaluation).

The Senior Financial Officer's response was immediate. In a memorandum dated December 20, 1983 to the Assistant Deputy Minister he stated: ". . . I strongly feel this document

is a key instrument in focusing the fundamental change process this department is about to embark upon and as such a constructive yet highly detailed critique may be in order." This was followed by five pages of critique. The Senior Financial Officer identified a number of principles presented in the paper that would have had apparently unanticipated consequences for the department, such as committing Alberta Education to a course of action on which decisions have not yet been made. Other criticisms focused on careless rhetoric which might have the unintended effect of contradicting the basic philosophy or misleading the readers. Most of the criticisms reflected the chairman's lack of experience in the financial area. For example, one principle committed the Department to paying grants on the basis of the resident pupil count. Notwithstanding the fact that no decision about adopting the resident pupil count was made and no definition had yet been agreed upon at that time, the use of resident pupil count was such a contentious issue with large urban boards that protests and debates still continued two years after its introduction. The listing of resident pupil based grants payment showed incomplete understanding of the implications of the operationalized principles. During the transition period before assuming office, the chairman of the Coordinating Committee might have benefitted from collaboration with the Senior Financial Officer, but throughout the MFP development process the two officials tended to work independently of each other.

In addition to selecting the Coordinating Committee, Education Officials and the Senior Financial Officer developed a list of MFP committees, committee chairmen, and committee members. There were 12 Program Area committees and 7 Functional Area committees. The intent was that the Program committees should provide program information and policies to the Functional committees, and the whole group of committees would be directed by the Coordinating Committee. As a result of this structure, the work of the Coordinating Committee was described at that time in terms of reading, reviewing and editing of material submitted by all the committees.

A meeting of Education Officials, Coordinating Committees and chairmen of all MFP committees was held on the morning of December 22, 1983, in order to prepare for the

departmental information session scheduled for January 10, 1984. The agenda included an overview of the project objectives and implications, timelines, committee memberships and tasks, policy definitions, and expected outcomes. The expected role of the Coordinating Committee during MFP development was to assist each committee where possible and to review all material for consistency and adherence to basic directions. The material distributed at the meeting was the material that was to be used in the January 10, 1984 departmental presentation. At this point the title "Finance and Management Project" first appeared. This was the precursor to the eventually accepted "Management and Finance Plan."

The successful public launching of MFP depended on the quality of performance of staff in two areas. The finance people were required to provide tangible evidence of the upcoming changes--charts and calculations showing the effects of the funding changes on school board operations, as well as drafts of proposed simplified grant claim forms. In the words of the Assistant Deputy Minister (Finance and Administration):

> Originally it was thought of as a funding system. It was the thing people could talk about. It gave it a lot more meaning, otherwise we would have been much deeper into the rhetoric. In terms of any kind of change, when you get right down to it, people say 'well, what's the difference?' they're not about to attack the difference conceptually. Instead they'll say 'hey, you know something? Now we only have two lines on a grant claim instead of four pages.' That's the minimal component of the idea, but that's what's communicable. And people say 'well, that's good' and so without the money component, even though in the scheme of things posterity will judge it to be a very small component and it should be, it was necessary to get it off the ground and it was one of the reasons the whole movement has gone as far as it has.

At the point when the memberships of MFP committees were finalized, the responsibility for MFP development began shifting from finance to other areas of the department. For example, the second departmental area which played a fundamental role in the launching of MFP was that of communications. The Director of the Communications Branch was responsible for the drafting of the 1984 Basic Education Grants News Release. The news release and the letter to school boards underwent numerous revisions and editorial changes by the Assistant Deputy Minister (Finance and Administration) and by the Senior Financial Officer between December 21, 1983 and January 5, 1984.

Involvement of many diverse areas of the department in the MFP development process was encouraged and ensured by the makeup of MFP committees. Each committee consisted of people from different areas and different levels of the organization. The Assistant Deputy Minister (Planning and Evaluation) concurred: "In the development of MFP we didn't pay much attention to the organization of Alberta Education in carrying the project forward. We cut across boundaries right, left and sideways, and by design."

While a wide departmental participation was encouraged, there was little attempt to involve external stakeholders. One Assistant Deputy Minister noted: "Conceptually it was an internal initiative. At the initial stages there weren't very many supporters, quite frankly. In the early stages neither the trustees nor the superintendents were very involved." The Deputy Minister agreed that MFP began as a top-down initiative: "Ideally we would have involved the school boards and other stakeholders--ATA, ASTA and all the rest. But in this case the time, the opportunity was there. We simply had to seize it."

The stakeholders were invited to give their reactions and recommendations at a later stage, after departmental policies were drafted. In the initial stages, however, internal commitment of staff was of primary importance. One group which steadfastly resisted becoming involved with MFP were the creators of the School Building Capital Plan. They were successful in their resistance--a December 23, 1983 memorandum from the Minister to the Provincial Treasurer confirms a 1984-85 budget for the Plan which is unaffected by MFP principles.

Given the need for internal commitment, the departmental meeting planned for January 10, 1984 was seen as very significant. The Coordinating Committee met with committee chairmen again on December 29, 1983 to review an up-dated agenda and committee structure before the January 10, 1984 meeting. The departmental meeting was planned as a day long event to be attended by about 100 management and consulting staff from all parts of the department. The Assistant Deputy Minister (Planning and Evaluation) explained his role in the planning:

> I certainly advised Reno on bringing this crowd together at the School for the Deaf, and the necessity of getting everybody in the department on side and participating. It was such a major thrust that we simply had to have the participation of the organization, particularly the people in the Finance Division and the Delivery Division, who were affected the most. The Finance Division because they were losing power and the Delivery Division because they were getting power.

On January 2, 1984, more changes were made to the official list of committee chairmen. On the advice of the Senior Financial Officer, a number of key committees in the financial area were to be headed by two co-chairmen instead of one chairman. The reasoning given was that these committees dealt with diverse issues and hence required a division of labour among the co-chairmen, given the short time lines. A secondary reason was to involve as many people as possible in policy discussions. Some of the committees affected were: Finance, Management Systems, School Jurisdiction Annual Report, and the Equity Committee.

On January 4, 1984, Education Officials approved the tentative work plan prepared by the Coordinating Committee. The fact that this plan would be put into operation on January 10, 1984 shows the time constraints under which the department was working.

On January 4, 1984, the term Management and Finance Plan appeared for the first time--on a memorandum from the chairman of the Coordinating Committee to committee chairmen. This memorandum provided additional information about the upcoming departmental meeting. This memorandum illustrates that the committee chairmen had only a vague notion about the whole project. In part, the memorandum stated:

> This is the second in a series of planned meetings within Alberta Education with regard to the development and implementation of the Management and Finance Plan. The first meeting on December 22, 1983, which was attended by approximately 35 people, provided the first stage of background information to Education staff. The meeting on January 10, 1984, which will be attended by approximately 90 to 100 people, will provide more detailed information on this project.

The afternoon of January 10, 1984 was intended to facilitate the first meeting of each MFP committee. Since the committee chairmen had such limited knowledge of the project, the memorandum suggested possible discussion topics:

> Some tentative ideas you may wish to discuss with your committee are:
> - review of the currently available material on MFP

- key areas of current uncertainty or concern
- issues regarding consultation with school jurisdictions
- strategic issues to consider when developing an implementation plan for your area
- preliminary work on policies, guidelines, procedures, etc.

On January 5, 1984, the final drafts of the news release, grants announcement and public briefing plan were approved by the Minister. On Friday, January 6, 1984 at 9:00 am, a final budget briefing session was attended by the Deputy Minister, his special assistant, the Assistant Deputy Ministers from the Finance and Administration and the Planning and Evaluation divisions, and the Senior Financial Officer. This was a session designed to anticipate all possible budget and MFP related issues on which the Department could be questioned by stakeholders following the news release. Nineteen issues were identified, ranging from implications for other funding reallocations by Government and the Premier's comments, to such specific issues as whether a 2% reallocation is reflective of the "Basic Movement," implications for user fees, Special Education funding, and the effect of the Equity Grant on small schools and jurisdictions. The extensive preparation for the public introduction to MFP reflected the concern of the departmental officials that the project be well received or at least that no significant opposition would arise. Much thought was given to the mode of presentation that was most likely to mobilize support. As one official described the approach:

> MFP was sold in part as a means of getting more money for school boards. One of the goals of the Department has always been to get more money for education. MFP was a way of squeezing more money out of the Government for education in time when money was tight.

On Monday, January 9, 1984, the news release was officially approved by the Premier and Treasury. The accompanying letter to school boards stated in part:

> Commencing immediately, Alberta Education will move to a restructured funding plan which will emphasize a pupil-based system. The new structure will focus on post-audit monitoring with the aim of providing funding to school jurisdictions using a highly simplified grants system and administrative process. Since a greater percentage of funds will be provided on the basis of pupil counts, either resident or served, local autonomy will increase. The new system enables school boards to determine the mode of delivery of more programs.

At the time when this letter reached the school boards, the grant claim forms and the procedural details of the claim and payment process were in the early design stages. Similarly, neither the

decisions on which types of pupil counts would be used with which grant, nor the definition of the resident pupil count was finalized at the time.

In the morning of January 9, 1984, Education Officials held a briefing on grants simplification with the Senior Financial Officer. In the afternoon, the Deputy Minister, the two Assistant Deputy Ministers, and the Senior Financial Officer briefed the Minister on the information package that would be used the next day during the departmental meeting.

Tuesday, January 10, 1984 marked the official inauguration of the Management and Finance Plan. Over 100 staff--managers, consultants, directors, and others--were gathered at the Alberta School for the Deaf for a day-long briefing session on MFP. The Minister made a brief appearance in the morning, to explain to the staff about the "window of opportunity" which made the upcoming changes possible. The Minister's speech was followed by brief messages from the Deputy Minister, the Assistant Deputy Minister (Planning and Evaluation) (as the meeting chairman) and the Assistant Deputy Minister (Program Delivery). The Assistant Deputy Minister (Finance and Administration) talked at some length about the simplified grants structure. The chairman of the Coordinating Committee was introduced. He referred to the briefing package as he explained the Committee structure, terms of reference and the procedure for the afternoon session.

The personnel resource alignment as proposed in the working paper and finalized by the Coordinating Committee consisted of the following committees:

<u>Functional Area Committees</u>

1. - Claim and Payment Cycle
   - Monitoring, Auditing and Sanctions:
2. A. Program
3. B. Finance
4. C. Management Systems
5. School Jurisdiction Annual Report
6. Enabling Regulations

7. Impact on Regional Offices

Specific Program Committees

1. Transportation
2. Equity
3. Special Education and Gifted
4. Education Opportunity Fund (EOF) - Elementary and Compensatory
5. Coalescence
6. Teacher Inservice
7. Extension Program
8. Vocational Education
9. Official Languages and Other Second Languages
10. Debt Retirement/Building Quality Restoration Program
11. Early Childhood Services
12. Film for Libraries.

After lunch, the committees met for the first time. The instructions for the committee sessions were quite general. The members were to review the morning's discussion and its impact on the committee's work, and the Project Committee Terms of Reference. Further, any issues or concerns that the chairperson might wish to raise at the next session were to be identified.

A meeting of the chairmen, the Coordinating Committee and Education Officials followed at 2:45 pm. The afternoon sessions produced individual realization as well as a consensus among participants that they had no idea what they were required to do. Consequently, dates were set for next meetings with the openly expressed hopes that by that time "somebody will tell us what's going on." Such reactions were hardly surprising, given the general nature of the information received by committee chairmen through the January 4, 1984 memorandum, and the instructions received at the morning session.

The next day, Wednesday, January 11, 1984, was devoted to briefings with external stakeholders. At 8:00 am the Deputy Minister and the Assistant Deputy Minister (Finance and Administration) met with representatives from the Alberta School Trustees' Association, while at the same time the Assistant Deputy Minister (Planning and Evaluation) and the Senior Financial Officer met with representatives from the Alberta Teachers' Association.

For the rest of the day the Deputy Minister, Education Officials, the Senior Financial Officer, Regional Office Directors and officials from the School Business Administration Branch met with superintendents and secretary-treasurers at each of the five zones of the province.

On Thursday, January 12, 1984 at 7:30 am, a debriefing session was held at the Deputy Minister's office attended by Education Officials and the Senior Financial Officer. At 9:00 am the Minister and Deputy Minister held a press conference prepared by the Communications Branch of the department. The accompanying news release described three major thrusts of the new funding plan. In summary, those were:

- 1983 basic per pupil grant levels for ECS-12, private ECS operators and Category I private schools would be maintained
- over 1984-85 capital funding would increase 13.3%
- there would be an overall 2% increase in grants to school boards to meet special needs of children and ensure equity among school jurisdictions.

The news release further stated that while there would be no increase for salaries and benefits, as the funds were used to bring direct benefits to students.

On January 13, 1984, the Coordinating Committee submitted its first progress report on MFP to Education Officials. By that time the committees agreed on meeting schedules and began addressing the issue of MFP definition, in order to identify their mandate in relation to the overall scheme. Perhaps because of the term "Plan," it was difficult for many to realize that MFP was a meta-policy--a way to manage a policy based system. MFP, however, also was a tool for system transformation. This dynamic aspect of MFP had a disquieting effect on many staff members either because it made MFP difficult to 'pin down' or because it made it difficult to

predict its consequences. It was also difficult for many people to translate the dynamic nature into concrete administrative mechanisms, particularly when they tried to use existing mechanisms to accommodate the new approach. A comment from a director sums up the feelings reflected by many staff members who were interviewed: "When we started many of us didn't know what the hell it was."

The difficulties with understanding the MFP concept and the roles of individual sections of the department, which were experienced by MFP committee members, were noted by Education Officials. At the January 16, 1984 Education Officials meeting, the importance of consistent information about MFP, both internally and externally, was discussed. A draft communications plan was reviewed. The Coordinating Committee was given the responsibility for answering all correspondence related to MFP.

Some of the problems associated with hasty planning began to surface. The Senior Financial Officer, who monitored all finance related work of MFP committees, was concerned about coherent coordination of information, and effective alignment and deployment of personnel. In a memorandum of January 17, 1984 to the Assistant Deputy Minister (Finance and Administration), titled "Functional Area Project Committees--Annual Report and Information Requirements" he addressed the two points of concern. Specifically, he commented on the Annual Report Functional Area Committee. This committee dealt with the requirements for school jurisdiction Annual Reports (AR). The Senior Financial Officer pointed out that the Budget Report Form (BRF) and the Audited Financial Statement (AFS) should be added to the committee's mandate, since the BRF is an enabling instrument for prepayment, while the AFS and AR represent monitoring and follow-up. He warned that to deal only with the AR would be a strategic error, fragmenting the approach to those three key instruments. (Consequently, the Budget Report Form and the Audited Financial Statement were added to the mandate of the committee and a co-chairman was assigned to take charge of their development.)

With respect to the coordination of information, the Senior Financial Officer felt that his own informal efforts were insufficient and that an official response to the problem was required:

> Implementation of the MFP will result in a drastic reduction of planning, budgeting and management control information that presently is a result of the work flow of the Grants Administration Unit. Further, the MFP approach will require a much more sophisticated approach to budgeting and planning and as a result a well conceived and developed data base is necessary. Additionally, the MFP should result in a new set of management control information needs at all levels of the department including the Minister's office. If this is not developed carefully, then each Branch will be forced to gather its own information from each jurisdiction--hence greater duplication and loss of credibility. The identification and development of these three types of information is too crucial to leave to an informal group or chance.

The Senior Financial Officer recommended the formation of a "Planning, Budgeting and Management Control Information" functional committee.

On January 17, 1984, the Senior Financial Officer also sent a memorandum to the chairman of the functional area committees, titled "January 19, 1984 Integrating Meeting of Chairmen," in which he invited the chairmen of the five finance-related committees to cooperate in designing a framework for the integration of their activities and information requirements.

The Senior Official Officer brought a group of finance personnel to Alberta Treasury on January 17, 1984, to meet with a group of senior officials from that department. The purpose of this meeting was threefold: (1) to mobilize the support of Treasury officials; (2) to consult about developing a simplified financial system; and (3) to ascertain which conditions of Alberta Treasury must be met by the new system. The Senior Financial Officer's personal notes of the meeting reflected that the discussion on a general approach to the structuring of the new system was very productive, as was the discussion about internal audit. The need for "Planning, Budgeting and Management Control Information" was discussed at some length. One of the Treasury officials agreed to becoming a member of the Claim and Payment cycle functional committee and to attend and participate regularly.

While the Senior Financial Officer focused his attention on internal alignment of human resources and communications, the Deputy Minister's focus turned to the external environment. In a January 18, 1984 memorandum to the Minister, titled "Status Report on Major Activities," the Deputy Minister provided a very comprehensive list of his concerns and recommendations. The Deputy Minister's message was that it was crucial to mobilize the support of the public and the

media through the provision of comprehensive coordinated information. The Deputy Minister had the following comments about the January 12, 1984 press conference:

> At the press conference, there were only a few questions about the new plan. I suspect that the reason for this is that the new plan is virtually meaningless to them. However, because the plan has far reaching implications and because many of our subsequent activities and announcements will be related to the plan, I think it is imperative that we try to explain it to some selected members of the media. In my view, we have a better chance of getting some good and accurate publicity if we take the time to explain to them what this new plan means. In turn, I would hope that this would enable them to do a better job of communicating this information to the public. . . .
>
> I am somewhat concerned that we may be perceived as heading off in several directions at the same time without any apparent sense of consistency and direction. . .
>
> I would propose that we try to tie together our announcements and activities in four major areas.
>
> 1. the finance and management plan
> 2. responses to the task force reports
> 3. the evaluation policies
> 4. the two major reviews of the secondary program and the school act.

The balance of the memorandum provided detailed advice on how the above activities should be tied to MFP both on the operational and the philosophical level.

On January 18, 1984, the Senior Financial Officer met with senior officials from the department of Auditor General. The Senior Financial Officer followed an approach similar to that of the Deputy Minister in his attempt to mobilize external support. The Senior Financial Officer provided the officials with information about MFP, sought their advice, and included them as members on a number of financially related functional area committees.

The first meeting of the informal integrating group called by the Senior Financial Officer took place in the morning of January 19, 1984. The Senior Financial Officer's argument was that "the work of five functional committees is so inextricably linked that if each committee pursues its own perceived mandate, we could end up in five different places." The purpose of the meeting therefore was to provide the opportunity for the chairmen of the five committees to prepare an integrating framework. The objectives listed on the agenda were as follows:

1. To determine if there is a need for an informed integrating group of Functional Committee chairs.
2. If so, to prepare an integrated framework, concept, or picture.

3. To determine if there is a sequence or flow of construction, or whether it could be done simultaneously.
4. To identify and begin developing the components or parts of the framework.
5. Identify an overall and specific work plan.
6. Organization of informal group.
7. Expansion of Annual Report Committee and discussion of information committee.

Objectives 4 and 5 were omitted from discussion since by the time of the meeting it became apparent that the group would not attain official status. Diagrams of the framework, as discussed at the January 17, 1984 meeting with Treasury, were used to open discussion on the interrelatedness of the functions of the five committees. Members of this informal group agreed to continue meeting. This effort by the Senior Financial Officer was significant in that it drew attention to the importance of a synchronized alignment of staff activities, since from discussions among staff it was clear that no one was clear on the definition of MFP and hence each committee worked on the basis of their own interpretation.

The school boards began to express concern about their difficulties in understanding MFP, particularly in terms of preparing budgets for the following year. In response to one request, the Senior Financial Officer along with his Associate Director of Financial Planning, a representative from the School Business Administrative Services Branch and the director of the Grande Prairie Regional Office met with the superintendent and secretary-treasurer of Grande Prairie City School District #2357 in the afternoon of January 19, 1984. The purpose of the meeting was to provide assistance to Grande Prairie District #2357 in building their 1984 budget and to discuss the implications of MFP on their operations. The discussion included the definition of resident pupil, program costing for tuition agreements, Special Education funding when non-resident pupils are involved, and the operation of the Learning Assistance Centre in Zone 1.

In addition to foreshadowing problems with the resident pupil basis for Special Education funding, this meeting was very significant because the idea of "field testing" the financial components of MFP was first discussed there. The superintendent suggested that the department take the financial components of MFP when they are near completion and apply the

new block funding structures and formulae to the actual budget and accounts of a few jurisdictions, such as the Grande Prairie City District #2357. Thus the idea of "mini pilot projects" originated. The proposal was of mutual benefit--the department would do the district's budgeting in return for the district's positive (or at least not negative) orientation to MFP.

On January 20, 1984 a linkage meeting of committee chairmen was called by the chairman of the Coordinating Committee. The function of the linkage meetings was apparently similar but less specific than that of the informal integrating group, as the agenda of the first such meeting indicates:

1. Opening remarks
2. Word processing network (for production of reports)
3. Communications plan
4. Coffee break
5. Committee progress
   a. Coordinating committee update
   b. Chairpersons' progress reports
6. Issues/questions
7. Upcoming meetings
8. Other

It is evident that the Coordinating Committee as well as the other MFP committees were still orienting themselves in the project and trying to define their roles and tasks. In his progress report as co-chairman of a number of functional committees, the Senior Financial Officer described the activities of the committees as "a fact finding process up to now." He also used the progress report as an opportunity to stress again the need for information and task coordination of the five functional area committees. Therefore, in addition to a verbal progress report, the Senior Financial Officer produced a written report in form of a memorandum to the chairman of the Coordinating Committee dated January 20, 1984. In part, the progress report stated:

> Finally, it is hoped that your Coordinating Committee will be able to formally develop a structure or mechanism to deal with planning, budgeting, management and other types of information coordination requirements--we are presently working towards that in an informal fashion. To that end, the Functional Committee Integrating Group, which met on January 19, 1984 developed such a framework--a copy of which is attached for your information. . . . Additionally, Steve Cymbol and Jack Clarke developed a framework which will fully integrate and provide the model for the Financial Audit, Program Evaluation and Management Systems committee efforts.

The linkage meetings constituted the last element in departmental efforts at resource mobilization and alignment. After a tentative start these committees began intensive work dictated by tight timelines. One Assistant Deputy Minister assessed the deployment of human resources in the following manner:

> The only thing I would do differently is, I would change some of the timelines--they were terribly unrealistic. I think the process of involvement of our staff was good. We might have been able to involve school jurisdictions a little better if we changed our timelines. We were under such pressure that we couldn't do much consultation at all, and that was not a good idea.

The short timelines and their effects on staff performance were becoming noticeable, particularly in the planning activities.

Policy Structuring

The development and implementation of MFP could be understood as a two stage process. Internal development and implementation included the formation of the committee structure, the development of departmental policies and the adjustments to internal systems to achieve operational consistency with MFP principles. This stage engaged primarily the finance and program related MFP committees. The second stage--the external development and implementation--involved primarily the Regional Offices and the Grants Administration Unit, both of which were involved in operationalizing the new roles and responsibilities of Regional Offices and new procedures in dealing with school boards. The two stages were not sequential, but the first stage began on January 10, 1984 while the second stage did not begin until the middle of February 1984.

While departmental energies were focused on the first stage of MFP development and implementation, work was in progress on the other two components of the Deputy Minister's megapolicy--the School Act Review and the Secondary Education Review.

The general procedure for the first stage, which contained the bulk of the policy structuring, required that each MFP committee submit a report containing new policies which would direct the operations and functions within their area of responsibility. In addition to the

policies, the reports also were to have a list of principles, objectives and rationale. The drafts of the policies then were to be reviewed by the Coordinating Committee and subsequently by Education Officials. Therefore, long before policy structuring was complete, the process of policy review and feedback was in place and operating.

Throughout the policy structuring efforts of the MFP committees the Assistant Deputy Ministers saw their role as one of conceptual guidance, somewhat removed from the specific comments facing the committees. Their recollections of their approaches are significant in view of the frustrations expressed by committee members who required more specific directions for operationalizing the concept. The Assistant Deputy Minister (Planning and Evaluation) described his role this way:

> MFP started out as a fairly vague, fuzzy concept and it needed to be embellished, flushed out. I think it's fair to say that I played a key role in marshalling the resources of this department and getting all the committees established, organized and moving forward so that the project would come to fruition.
>
> As reports came to Senior Officials for their consideration I was a very important catalyst and analyst so that we moved forward in a manner that was in line with the original concept and yet was achievable.

Others, such as the Assistant Deputy Minister (Program Delivery) provided advice to committee chairmen on more specific approaches, such as evaluations and audits, drawing on the overall perspective provided by the Minister and Deputy Minister.

The Assistant Deputy Minister (Finance and Administration) felt that his role was to develop overall structures and to monitor the output of the committees, rather than responding to specific problems:

> I did attend some meetings but did it to give a presentation or to talk about what should be done and where they were going, and oftentimes it would be an initial meeting, just to tickle their minds a little bit and then leave them. Then I'd watch to see what was coming out of the committees and respond accordingly. I was not controlling, I couldn't, it just wasn't possible, there were too many things happening.

A considerable number of committee members interviewed voiced their frustration at the approach to guidance which is summarized by one chairman as: "You do what you think we want, bring it to us and we'll recognize what's right when we see it." One Assistant Deputy

Minister defended the paucity of specific directions by stating that such a course of action "would have been inappropriate because we were in a parameter setting business, as our own people should have been." The sense of uncertainty was described by one director:

> It would have been better had we taken the effort to understand more fully what we were talking about. I didn't find anything that offended me in the [MFP] process, but there was a lot of it I didn't quite understand--for example monitoring. We talked a lot about the difference between monitoring and evaluation and auditing, and we still to this day don't have a good handle on what these things mean.

The Assistant Deputy Minister (Program Development) conceded that there was considerable lack of understanding of the concept among MFP committee members, particularly during the first few weeks. It was his experience that staff involved with financial aspects of departmental operations had greater understanding than others, since MFP was launched from the finance area. Beyond the finance staff and Education Officials, he contended that understanding dropped sharply:

> Lower down, the directors and others who were not working with it [MFP planning], simply because of the lack of exposure, were certainly much less sure as to what MFP was and what it was designed to accomplish.

The MFP committees endeavored to draft policies using the direction from Education Officials, meetings of the Integrating group and the Linkage meetings of chairmen for guidance. The first drafts of the program committee reports were due for submission to the Coordinating Committee on January 24, 1984.

On January 24, 1984 at the Education Officials meeting two issues were discussed. The first issue was the definition of a resident pupil. The Assistant Deputy (Finance and Administration) presented a draft proposal, which was referred to the Special Education committee. The Assistant Deputy Minister in charge of that committee had his own version of a definition, and the two versions had to be reconciled. The other item was a discussion of the report presented by the Extension Programs MFP committee. A number of changes to the proposed policies were suggested in order to achieve a closer alignment with MFP principles.

The Coordinating Committee reviewed all of the program committee submissions, provided editorial comments and sample policies, and attended some program committee

meetings to provide further directions as to preferred format of policies. With the review of the first drafts of program policies the Coordinating Committee took on a more authoritative role. Since the chairman of the Coordinating Committee was believed to be in direct contact with the Deputy Minister, he became sought after for advice and direction by members of program committees. The power center of the MFP project began to shift from finance to programs and planning areas. Since directives about MFP were still vague and scattered, information became a much sought after commodity. Memberships in committees became closely guarded and presence of "unauthorized" persons was discouraged. Those holding memberships in a number of committees began to be perceived as authorities since they had access to more information.

The Senior Financial Officer saw a danger in the emerging role of information as currency of power. In his view this presented further barriers to communications. In a January 25, 1984 memorandum to the chairman of the Coordinating Committee, titled "Claim & Payment and Management Systems Functional Committees Membership Update," the Senior Financial Officer strongly argued for the facilitation of enhanced and coordinated information flow through a number of arrangements. He argued that the Coordinating Committee should not demand a rigid roster of members just for the ease of administration--that flux and flexibility were necessary. He also noted: "Additionally, I understand that you are not overly ameliorated [sic] with co-chairmanship." After presenting his reasons for the need for having co-chairmen of certain committees, he ensured specifically that the chairman of the Coordinating Committee acknowledged the new co-chairman of the Annual Report committee. In addition, the Senior Financial Officer again strongly recommended that an Information Coordination Committee be established which would deal with planning information requirements and financial management control information. And finally, he pointed out that he would be happy to have an official status conferred on the Integrating group.

The chairman of the Coordinating Committee replied in a memorandum of February 1, 1984. He confirmed that the mandate of the Annual Report Committee would be expanded to include the Budget Report Form and Audited Financial Statement. He further indicated that the

co-chairman concept in the functional area committees would be implemented and agreed that "flux and flexibility" of committee memberships would be helpful and could be regulated by committee chairmen. The Coordinating Committee made the following response to the questions about information coordination and the Integrating group:

> As you know, I think this [Information Coordinating Committee] an excellent idea. However, it may be more desirable that formation of this committee be delayed until sometime in mid-February when the current furor is somewhat diminished. I will ask Irv Hastings as to who he wishes to act as co-chairman of this committee.
>
> The last item concerns the Integrating Group of the Functional Area Committees. By noting the Integrating Group on the Project Committee Update, I merely intended to record its existence [not to confer official status]. It is an extremely useful mechanism. Once the MFP Coordinating Committee is over the current phase of the project that focuses upon the work of the specific Program committees, which has strained our staff resources, I think that it would be appropriate for a member of the MFP Coordinating Committee to assume the chair of the Integrating group.

The Integrating group continued meeting without official status, often chaired or attended by the chairman of the Coordinating Committee. The Information Coordinating Committee was later created but did not attain high profile and wasn't very productive. Its function was eventually assumed by two officials rather than a committee. The Linkage meetings of chairmen also continued to the end of February to facilitate the completion of the program committees' tasks.

After the program committees received feedback on the first draft submissions of policies, they redoubled their efforts to submit a revised version by the February 15, 1984 deadline.

The work of the Special Education Committee received priority attention from Education Officials because of the far reaching and politically sensitive impact of its decisions. In a February 1, 1984 memorandum to the Deputy Minister, the Assistant Deputy Minister in charge of Special Education listed a number of issues on which decisions were required before a new funding structure could be implemented.

1. Per pupil funding on attendance basis or on resident pupil basis.
2. Should private school students be included in a jurisdiction's resident pupil count?

3. Special Education funds to Category II (schools for the handicapped) private schools.
4. "Grandfathering" provisions for "Lamplighter Districts."
5. Jurisdictions receiving "windfall" money.
6. Funding for the gifted.
7. "Grandfathering" for out-of-province placement of students.
8. "Grandfathering" for out-of-system but within province.
9. Students who are the responsibility of the federal government.
10. Small jurisdictions and impact of high cost programs.

School boards, particularly large urban types, expressed concern over changes in Special Education funding and especially over the resident pupil basis for funding. One official recalled that of all the program committees "the Special Education Committee by far overshadowed everything else until Equity got going."

The review of the first drafts of policies produced by the program committees provided feedback not only to the authors but to the Coordinating Committee as well. It became clear that there were no consistent definitions of policies, guidelines, procedures and other terms. Further the roles of program committees and functional area committees were not clear to their members. These problems were further complicated by inadequate communications between these two types of committees. As a result, the Coordinating Committee drafted a list of definitions of selected terms. A meeting of committee chairmen was called for February 6, 1984, and a memorandum outlining future activities was sent to all chairmen by the chairman of the Coordinating Committee. The purpose of the memorandum and meeting was to realign and coordinate the activities of all committees. The discussion items for the February 6, 1984 meeting are summarized from the memorandum:

1. <u>Definitions</u>
   - draft of selected terms is attached
   - departmental consistency is required in the use of these terms
   - comments of the definitions will be accepted by February 9, 1984

2. <u>Specific Program Committees</u>
   - program committees submitted first drafts to Coordinating Committee by January 24, 1984
   * integrating meeting with program and functional committees will not be held as planned--committees are not ready

Schedule of future meetings:

a. February 6 - program committees submit revisions to Coordinating Committee

b. February 9 - 1:30 pm functional and program committee chairs discuss revised submissions and definitions

c. February 13/14 - Coordinating Committee presents revised policy statements to Education Officials

d. February 13-22 - Discussion with Education Officials--program committee chairs to attend pertinent parts
- revisions are anticipated after review by Education Officials

e. February 15 - program committees submit the second phase of their work to Coordinating Committee

f. February 23 - 1:30 - all functional and project committee chairpersons meet in the 6th floor boardroom

g. February 24 - re-submission of program committee policy documents to Education Officials

3. Life Span of Committees
   - committee tenure has not been determined
   - major portion of program committee work will be completed by February 15, after which focus will shift to the linkages issue and the work of the functional area committees
   - the major portion of the functional area committees' work will occur between February 15 and March 30 - then focus will shift to MFP communications and implementation activities
   - by March 30 the entire committee structure will be reassessed and some re-alignments and streamlining will likely occur

4. Relationship Between Program and Functional Area Committees
   - a document entitled Reporting Relationships Between Program and Functional Committees should answer your questions.

This memorandum was significant in that it provided an overview of activities as well as some direction for committee chairmen.

On February 6, 1984 the Coordinating Committee received revised policies from the program committees, which would be included in the second draft of the policy manual. To understand the amount of effort involved, it should be noted that some policy papers had been through 10 revisions by February 6, 1984. The Coordinating Committee prepared a summary of comments and reactions for the upcoming February 9 meeting. The following excerpt outlines general observations of the Coordinating Committee:

GENERAL OBSERVATIONS RE: PROGRAM DOCUMENTS:

- Some policies mentioned specific programs. Policy statements are generic, not tied to programs.

- Guidelines: should refer to Alberta Education, not specific units within Alberta Education.
- Procedures: should refer to specific unit within Alberta Education.
- Mixture of several different terms for similar ideas - standardization of terms is being attempted.
- Roles/responsibilities of Regional and Central Office vary by program. Variations will be identified for Education Officials and an interpretation requested as to if this variation is in keeping with the Plan (e.g., Annual Reports requested at different times).
- Extent of additional new roles/responsibilities being delegated to Regional Offices still requires clarification.
- Responsibility for audits and degree of support from senior management is still unclear.
- There is still divided opinion in the Department on selected topics. Further direction required from Education Officials (e.g., return of unexpended funds to Alberta Education).
- Policy/Guidelines/Procedures development and implementation process currently underway in Alberta Education is generally the process that will be required for some 160 school jurisdictions.

While the Coordinating Committee was reviewing revised policies on February 6, 1984, Education Officials at their regular meeting discussed the approval for a one-time only conversion grant to help school boards with transition to MFP. Education Officials also received the revised Provincial Evaluation Policies which were incorporated into the first draft of the policy manual. This version of the Evaluation Policies underwent further changes. These policies thus became permanently subsumed under MFP in spite of their separate origin.

On February 9, 1984 the key linkage meeting of committee chairpersons was held. The discussion included review and assessment of program committee reports and feedback from the chairpersons. Project timelines were reviewed and the relationship between program and functional area committees was discussed. Other items included a first discussion on implications of MFP for Regional Offices, and a review of MFP definitions and Provincial Evaluation Policies. To facilitate discussion, all committees submitted a progress report for this meeting. One official observed the following about the expectations placed on committee members:

> There was an enormous amount of information and paper around--it was impossible to digest it all. I would say we survived very well with the paper push, considering what we also had to do in our regular duties.

Among the submissions to the meeting regarding the definitions there were comments and proposals regarding the definition of program, program evaluation, financial audit, and implementation plan.

The progress reports generally documented decisions taken and defined interpretations of Coordinating Committee directives adopted by each committee. Progress reports from committees co-chaired by the Senior Financial Officer also contained identification of new issues and recommendations for action. As co-chairman of the Claim and Payment Cycle functional area committee, the Senior Financial Officer recommended a number of items including (1) that field testing of financial aspects of MFP be carried out; (2) that an external vetting procedure of proposed departmental policies be established as soon as possible; and (3) that school boards should use the school year (September 1 to August 31) for claiming funds and reporting, rather than the current fiscal year (April 1 to March 31). These recommendations were eventually operationalized. In the progress report of the Management Systems functional area committee, the Senior Financial Officer noted that there was a need to review and study the internal MFP information needs, particularly in departmental planning, budgeting, impact analysis and overall management control. The reason for these cautions was that the simplification of the claiming and reporting procedures resulted in significant reduction of information being provided by the school boards. This, in turn, left large information gaps which prevented proper auditing processes. To reinforce this message, the Senior Financial officer submitted a progress report from the informal Integrating group containing 14 items. In addition to external vetting, he raised a number of issues significant to MFP development and implementation, which are summarized below:

1. We are pleased that the Coordinating Committee recognizes the need for an MFP Information Coordinating Committee BUT:
   a) overall departmental information coordination is a long term activity
   b) immediate and critical need is for MFP Information Coordinating Committee that would deal with internal planning, budgeting and MFP management control information requirements that would feed into the entire MFP scheme. Both of these initiatives could be launched simultaneously except that they would have different timelines and extent of mandate.

2. Exactly how will the program committee reports be vetted and integrated internally? If the functional committees are to be involved in the vetting and reviewing process, why are some reports being approved at the Minister level, such as the extension program grant?

3. Level of implementation: should the department attempt to implement all of the MFP aspects in the 1984/85 year or should we concentrate only on the pupil need grants area?

4. Concern about the overall MFP implementation coordination mechanism:
   - extension of the MFP Coordinating Committee?
   - entirely new group with new skills?
   - extension of the Deputy Minister's Office?
   - resident with an existing operational branch such as School Business Administration?

   Recommendation: MFP Coordinating Committee of Department Information Systems Committee of chairmen to recommend an MFP implementation mechanism.

5. A proposed definition of resident pupil has been prepared earlier by W. R. Duke. If that definition is in the final stage, it should be provided to all committees, so that all are working from the same base. The definition of a resident pupil is key, in that it will drive other types of policy decisions with respect to areas such as funding of private schools.

The concern expressed by the Senior Financial Officer and many members of MFP committees was that while the Coordinating Committee exercised authority over the MFP committee structure and activities, they were not aware of the implications and unintended consequences of their decisions. For example, regarding the much discussed issue of information coordination, one MFP committee member recalled:

> The Information Committee never got going properly. It was never taken seriously enough by the whole department and that has hurt the whole project. Then a guy from Planning got involved in some way later on after it came to light that nothing much was happening in that area, that the information needs were forgotten. And then there was no plan at all, or not a good plan. They brought in an outside consultant and that exercise produced a document, but I don't know what happened to it.

The issue of coordinating the work of the committees was again raised by the Senior Financial Officer in his February 14, 1984 memorandum to the Integrating group, titled "Identification of Some Common Issues for Functional Integrating Group Meeting of February 14, 1984":

> According to MFP, reports from program committees should go to Functional committees for review and vetting. However, it now appears that the report will first be reviewed by the Coordinating Committee and Education Officials. In that case there is no significant role left for the functional committees.

As the Senior Financial Officer anticipated, on February 15, 1984--the official due date--all project reports were submitted to the Coordinating Committee.

The concerns about coordination and vetting of the program committee output which were voiced by the Senior Financial Officer were reflected also by two significant groups of actors. Internally, Education Officials reviewed the revised policy submissions with the Coordinating Committee during February 15 to 22, 1984. There was a concern that each committee was interpreting its mandate differently. One Assistant Deputy Minister described his activities during that session:

> I couldn't agree more with the notion of getting rid of bureaucratic red tape, so I was very hard on some of the recommendations that came to Senior Education Officials. When people were talking about forms that had to be filled in, I kept asking "do you really need this?".

The second group was external, represented by the Auditor General. The February 14, 1984 Education Officials meeting minutes recorded: "Assistant Deputy Ministers were asked to monitor developments very carefully. D. Rogers, Auditor General, would like to meet with Department officials to discuss the plan."

In a February 15, 1984 progress report to Education Officials, the chairman of the Coordinating Committee noted that the second draft of the Policy Manual was about two-thirds of the desired quality. Since he considered the work of the program committees finished at that point, he recommended reducing the number of MFP committees from 19 to 8-10 by February 29, 1984. Similarly, in a February 16, 1984 memorandum to all committee chairpersons he stated that:

> . . . significant portion of this particular phase of the project--the development of program policies, guidelines and procedures--is now completed . . .
>
> While discussions and analysis of the program policies will still continue for some time, the work of the MFP can now be focused on Operational Planning

Operational planning entailed the involvement of Regional Offices and the definition of the respective roles of the Provincial Office and the Regional Offices. And while efforts to address these issues began on February 16, 1984, it should be noted that the policy structuring

phase could not be considered complete until February 24, 1984, when first reports from functional area committees were due.

Policy Feedback and Review

The policy feedback and review phase occurred approximately in two stages: (1) feedback--internal and external; and (2) review--internal and external.

The internal component of feedback occurred almost simultaneously with policy structuring and included on-going revisions of draft policies on the basis of recommendations by the Coordinating Committee and Education Officials. Feedback of a more informal nature occurred at linkage meetings of committee chairmen and the Integrating group. As the basic policy structuring work of the committees drew to completion, MFP policies were made available for external feedback. The feedback stages extended approximately to the end of February.

The Regional Offices were involved in the policy structuring only in a limited way, in that a number of Regional Office personnel had membership in MFP committees. The policies they helped to draft therefore dealt with departmental programs and had initially only indirect implications for the operations of Regional Offices. By mid February, however, the Regional Offices began to be compelled by the Coordinating Committee to become significantly involved in the implementation plans for MFP. The first direct involvement of the Regional Offices was comprised of providing information to the stakeholders in their respective zones and eliciting feedback from them. This comprised the external component of the feedback stage, which was pursued officially during the latter half of February, and persisted informally throughout the development and implementation processes of MFP.

By February 15, 1984 when the program committees made their final submission to the Coordinating Committee and Education Officials for feedback, committee members had had enough exposure to the plan to enable them to perceive its implications for their own work load and work focus. The attitudes of committee members comprised the unofficial feedback within

the department. Although no recorded documentation of departmental staff's reactions exists, reports from a large number of staff are consistent in their assessments. The reaction to MFP was mixed at all levels of the departmental hierarchy. One Assistant Deputy Minister reported the following:

> Lots of people were opposed to particular elements at the initial stages. I was opposed in the initial stages to the notion of [Special Education] block funding. One other Assistant Deputy Minister was too. History will show that our opposition was very appropriate, because it simply isn't working and I didn't think it would work--but you know, you aren't in a position of authority, you don't control these things. So you go along with it. I simply wouldn't actively oppose it once I've had my day in court. You know, you make your point and then greater minds are at work on these matters. But the block funding notion didn't make sense and I still believe that's the case.

A director made the following statement which echoed many assessments made by departmental staff:

> The Regional Offices were not generally supportive of MFP. I don't think that's any secret. And a lot of the departmental staff were saying 'Why are we doing this?' 'What's in it for us?' 'Why do we have to do all this extra work?' 'Why was I asked to sit on this committee?'

One Assistant Deputy Minister elaborated on the subject of Regional Offices: "There were some doubting Thomases who had some concern about the load being placed on Regional Offices, but they were being realistic, in my view." A Regional Office director tried to correct the generally accepted view that Regional Offices opposed MFP:

> Regional Offices were ripe for the kind of new thrust. They were said to be areas of low morale, and this certainly treated Regional Offices with the kind of respect they wanted. It gave them some new kinds of tasks, it sort of put them directionally in tune with the rest of the department. So I think there was a lot of support without realizing implications . . . Many people who are opposed today, were not then. Because they couldn't visualize the end product.
>
> Anyway, who speaks for the Regional Offices? How do you get off the gossip cycle? You can sit with a little group of people and their whole reason for being in that groups is that they're a kind of gripers. So, whom do you listen to in an organization? Who has the influence?

Various other areas in the department were mentioned in relation to early opposition to MFP, but generally the source of the opposition was usually an individual rather than the whole staff of the functional area.

During February 16 and 17; 1984, the Regional Office staff were involved in their first public MFP related activity, in which their task was to disseminate information to stakeholders and collect external feedback. The occasion was the Zone II and III Curriculum Supervisors' seminar, held at the Edmonton Regional Office. The Regional Office staff received assistance from the chairman of the Coordinating Committee and from the Senior Financial Officer, both of whom made presentations at the seminar. The topics of the seminar included the grants announcement, explanation of block funding, and policy framework for curricular funding.

At the stage when the new MFP policies were deemed to be of a suitable quality for public viewing, the stakeholder groups took every opportunity to provide feedback. Departmental officials were in agreement in their assessment of stakeholder attitudes. The earliest and strongest supporter was the Association of School Business Officials of Alberta. ASBOA was supportive of the simplified claim and payment procedures and claim forms. The Conference of Alberta School Superintendents (CASS) expressed concern over the increased administrative work load associated with drafting of new policies in order to be in line with MFP. The administrative arm of the Alberta School Trustees' Association (ASTA) was in favour of the policy approach, but many trustees, particularly from large urban centers, expressed serious concern about the proposed block funding of Special Education. The Alberta Teachers' Association (ATA) registered some concern about the evaluation policies, but overall their response was not strong or notable.

Overall, the strongest reaction centered on the Special Education funding issue. The analysis carried out by the Program Development Division and reported in November 1985, concluded that the incidence of Special Education pupils was uniform across the province. On the basis of this finding the report recommended that Special Education be block funded. The Deputy Minister recalled discussions on the subject:

> We talked about it and my concern was that the incidence of Special Education pupils was uneven, while the staff were saying that it was becoming more even. I was convinced that it was becoming, but I wasn't convinced that it was even enough to adopt a block system. But in the end we tried it, because we didn't have any better alternative.

The Deputy Minister's special assistant explained further:

> The boards would prefer the funding to be based simply on pupils served, and there is some merit to that argument. The problem is that it doesn't accommodate the responsibility concept. It's fair for Edmonton Public to say 'we wouldn't turn anyone away'--they probably wouldn't because they have programs in place and they have a base from which to operate. But what happens if you live somewhere out of the city and someone says basically 'I am sorry I am not going to serve you?' That's a very severe problem. And what happens when those people end up on the doorstep of Edmonton Public?--they'll be serving students that they don't have a responsibility to serve, which is fine, but their taxpayers are paying the price of it.

Both the department and the school boards had valid answers to the above argument. The school boards claimed that if they were funded on the basis of number of pupils served, regardless of their residence, then there would not be a necessity for raising their taxes. The department claimed, however, that this arrangement gave school boards the opportunity to refuse service to Special Education students, by claiming that they don't have Special Education programs. This debate continued through review stages and eventually a compromise position was reached whereby a contingency grant was paid to the boards with higher than average incidence of Special Education students. This was an interim measure before a special component was designed in the Equity grant.

The internal as well as external feedback continued to be heard by the Coordinating Committee and Education Officials. The Senior Financial Officer, in a February 20, 1984 memorandum to the Assistant Deputy Minister (Finance and Administration) titled "Generalized Comments, Observations and Suggestions Regarding MFP," provided 19 suggestions. Among these were the following significant points summarized below:

1. <u>External Vetting, Input and Consultation</u>

   - the planned workshops of April 30-May 30 may be too late
   - By April 30 most documents will be essentially approved, therefore Alberta Education will be reluctant to act on comments and critique from the field
   - formal consultation should commence immediately: broken front exposure in stages is better than one fell swoop later
   - input now would be better received by the field--would seem as sincere and legitimate

2. Implementation Strategy

   - Timelines (February 15 draft) indicate MFP implementation to start September 1, 1984. BUT: based on comments from the curriculum seminar (February 16 and 17) the first few months should be "preparation and commencement of conversion to MFP"
   - Boards will not be ready when timelines indicate, therefore we should consider a phasing-in approach

3. MFP Information Coordinating Group

   - there is a need for MFP Information Committee to deal with information requirements--otherwise important financial information will be lost if grant application forms are too simplified without realizing it.

4. Internal Implementation Team

   - FASB has identified internal implementation team for their branch, others should do the same

The concern expressed by the Senior Financial Officer regarding information gaps was echoed by the Assistant Auditor General in his February 23, 1984 memorandum to the Deputy Minister. The Assistant Auditor General made a number of comments about the meeting with Education Officials in the previous week:

> It was encouraging to note that there is agreement with the observations of this Office regarding cohesiveness of effort and the possibility that some committees may stray from the primary objectives of the plan . . .
>
> It is proposed that representatives of this Office will review the approved committee reports and the new committee structure. Review of the committee structure will be directed to ensure that terms of reference are clearly stated and are a logical extension of the agreed upon primary objectives of the plan. The new committees should also consider the sequence in which decisions should be reached. Specific concerns or general observations resulting from the review will be communicated to you as quickly as possible.

On February 23, 1984, a linkage meeting of committee chairpersons was held, at which the Coordinating Committee communicated feedback from Education Officials on the policy submission. The reactions of Education Officials were compiled by the chairman of the Coordinating Committee for the purpose of this meeting. The comments were relatively specific and focused on ensuring consistency of terms and approaches used.

The reports from functional area committees were due on February 24, 1984 for submission to the Coordinating Committee. On this date also, Education Officials approved

revised policy papers from the program committees. The Coordinating Committee compiled the second official draft of the departmental policy manual from the approved policy submissions. Having compiled this draft, the chairman of the Coordinating Committee expressed his concern, in a February 27, 1984 memorandum to Education Officials, that an impact analysis of key principles of MFP on education should be obtained.

In an effort to provide opportunity for final revisions before the proposed MfP policies would be subjected to external review, the Senior Financial Officer forwarded two memoranda in the final days of February. In a February 28, 1984 memorandum to the chairman of the Coordinating Committee titled "February 23, 1984 MFP Timelines," the Senior Financial Officer provided comments on the discussions from the February 23, 1984 linkage meeting of committee chairmen. The comments include a caution that at public workshops feedback should be requested on the proposed system itself, not on its implementation, which would be premature. He further noted that plans for policy analysis would be premature before actual activities and experiences were monitored. Other comments dealt with the incorporation of field testing and implementation of functional committee outcomes into the MFP timelines. The Senior Financial Officer particularly stressed early consultation:

> If our first formal attempt at communicating with school operations is April 9, I am afraid our integrity and credibility could be at stake. We must engage in formal and informal discussion and critique at a very early stage. This is imperative and cannot be overemphasized.

In a February 29, 1984 memorandum to the Assistant Deputy Minister (Finance and Administration) titled "Additional Observations to February 23, 1984 MFP Coordinating Committee 'Policy Manual Summary Comments,'" the Senior Financial Officer reviewed a number of specific financial issues which he felt were not correctly understood by the Coordinating Committee. One issue, which became increasingly more significant as implementation grew closer, was the role of Regional Offices in approving grant claims. This task grew out of the change in the role of Regional Offices from one of consulting to evaluation and monitoring. It is likely that at the initial stages of discussion, the planners without financial

background would have been unaware of all implications of transferring the Expenditure Officer capacity to Regional Offices. It was this point that the Senior Financial Officer wished to emphasize. In summary his argument was:

- the Claim and Payment cycle functional committee made a distinction between claiming Special Pupil Needs grants and all other grants
- Special Needs claim forms were developed especially for Regional Offices, while all other grants would flow through the Grants Administration Unit (GAU) in the Provincial Office
- therefore Regional Offices as expenditure officers would review the on-page simple claim form for Special Pupil Needs while all others would go to GAU
- there was no suggestion that Regional Offices should review all applications.

The Senior Financial Officer attempted to make the distinction clear because rumors began circulating in the department that Regional Officers would become expenditure officers for all departmental grants to school boards. Implied in this scenario was that Regional Office consultants and directors would receive higher job classification and that administrative staff would have to be hired in Regional Offices. Conversely, the Grants Administration Unit would be reduced to the status of accounting clerks, with fewer staff members. Since the Regional Office staff was not trained in financial transactions, such a scenario was unlikely. It was considerably more realistic to expect Regional Offices to handle the simple forms for Special Needs grants which were generally block grants based on student numbers. Nevertheless, for some time the notion of transferring the expenditure officer function to Regional Offices was seriously discussed.

The last significant event of February 29, 1984 was the making of two decisions at the Education Officials meeting. The first decision was that in spite of some concerns, "consensus was expressed with regard to collapsing the Special Education grants" into a block grant. The second decision was that "Education Officials will consider the possibility of having an external review to assess the extent to which the initial objectives of the plan have been met."

The review stage of MFP development commenced with the revision of MFP committee structure and the consequent reduction from 19 to 11 committees, under the leadership of the Coordinating Committee. The following committees were retained:

1. Program Committee Chairmen
2. Equity
3. Transportation
4. Enabling regulations
5. Claim and Payment Cycle
6. School Jurisdiction Annual Report
7. Planning, Budgeting, Forecasting
8. ROE Impact
9. ROE Implementation
10. Communication Plan
11. Validating Group

The mandates of these committees were revised by the Coordinating Committee as follows:

Program Area Chairmen

- To review existing policies, guidelines, procedures, manuals, handbooks, and programs of studies in accordance with the objectives of MFP

Equity

- To prepare policies, guidelines and procedures for equity funding

Transportation

- To prepare policies, guidelines and procedures for urban and rural transportation

Enabling Regulations

- To prepare the necessary regulations for the implementation of MFP

Claim and Payment

- To identify information necessary to initiate grant payments
- To prepare necessary forms and documentation
- To review existing and proposed grant claim information

School Jurisdiction Annual Report

- To prepare a reporting mechanism for program related decisions as a basis for monitoring, evaluation, auditing, adjustments and public information
- To prepare a reporting mechanism for financial related decisions

Planning, Budgeting, Forecasting

- To examine existing sources of information for the purpose of determining essential information required for program planning, budgeting and related forecasting processes
- To prepare recommendations for data acquisition in addition to that gathered through the Claim and Payment process and the School Jurisdiction Annual Report

Communication Plan

- To prepare, organize and distribute information regarding the Management and Finance Plan for use by school jurisdictions and Alberta Education

ROE Impact

- To assess the potential impact of MFP on ROEs
- To submit recommendations for an inservice package

ROE Implementation

- To prepare and implement an implementation plan for ROEs in regard to MFP.

The new mandates tended to reveal two aspects of MFP leadership--the operational implications of the majority of the committee policies were not envisioned or understood, while the necessity for an orderly coordination of information needs finally was understood. The mandate of the Validating Group was not identified until the group was established the following week.

There were a number of other significant occurrences on March 1, 1984. The initial discussion paper on the new school act was released for reaction. The Secondary Education Review Group invited feedback from the ATA, ASTA, CASS and individual school jurisdictions. Thus all three components of the Deputy Minister's megapolicy proceeded simultaneously.

Also on March 1, 1984, the Personnel Branch began to work on an inservice program based on the requirements submitted by various program and functional area committees. Prior to this the Personnel Branch had been working on a new human resources program. As part of data collection various questionnaires were circulated. Subsequently a report on departmental management was distributed which contained information such as age, number of years with the department and projected number of years to retirement. This report included information on Assistant Deputy Ministers and directors. Some days later staff of the Personnel Branch personally collected and took back all the previously distributed copies of the report. While most of the information was known to potential candidates for the anticipated vacancies, the report nevertheless raised interest and speculation among staff.

On March 2, 1984 a project coordination meeting was held with all committee chairmen to discuss the new committee structure and mandates. The discussions from this meeting were reported by the Coordinating Committee to Education Officials in the March 5, 1984 status report.

On March 8, 1984 the Validation Group was established. The Coordinating Committee prepared the following terms of reference and procedures for the external evaluation process:

TERMS OF REFERENCE

1. to provide feed-back and recommendations to Alberta Education on the validity of the component elements of the MFP (e.g. policies, guidelines).

2. to provide feed-back and recommendations to Alberta Education on the short and long term effects of the MFP upon school jurisdictions.

3. to provide feed-back and recommendations to Alberta Education on further development of the MFP, including communication of the MFP to the public and the implementation of the MFP in the field (how, when).

4. to make recommendations to Alberta Education with respect to the methods school jurisdictions may use to implement the MFP.

MEMBERS

Marshall Dzurko	- Consultant, Calgary Regional Office
Avi Habinski	- Director, Edmonton Public School Board
Jerry Sacher	- Superintendent, Rocky View School Division
Dave van Tamelen	- Secretary-Treasurer, Peace River School Division

VALIDATING PROCESS

STAGES	METHOD	TIMELINES
1. Orientation to the MFP	- Analysis of MFP Synopsis, timelines, committee structure and process, and definition. - Group discussion. - Group Reaction and Feed-back.	March 7-9
2. Policy Manual	- Analysis and discussion of MFP policies, guidelines and procedures. - Reaction, feed-back and recommendations	March 12-16
3. Functional (Operational) Plans	- Analysis and discussion of MFP operational plans, including claim and payment cycle, school jurisdictions annual report, and monitoring/ evaluating cycle - Reaction, feed-back and recommendations	March 19-27
4. Jurisdiction Operational Plans	- Analysis and discussion of implementation of MFP in field including 1) communication to school jurisdictions, 2) planning for the implementation of the MFP to school jurisdictions, 3) process of implementating MFP, 4) methods school jurisdictions may use to implement plan, 5) COE and ROE assistance, and 6) information required to implement MFP. - Reaction, feed-back and recommendations.	March 28-April 11
5. Implementation of Plan	- Communications with school jurisdictions. - Workshops with school jurisdictions.	Ongoing - April/June
6. Submission of Final Report	- Analysis and discussion of feed-back and recommendations developed at each stage. - Development of Formal Paper.	April 12-19

EACH OF THE SIX STAGES MAY FOLLOW THE FOLLOWING PROCESS

1. Presentation of information to Validation Group - Coordinating Committee, Project Chairmen and Senior Officials.

2. Analysis of information by Validation Group - interpretations and questions.

3. Discussions - with committee members, Coordinating Committee and Project Chairmen, feedback from school jurisdictions.

4. Development of written report - feedback and recommendations by Validation Group.

5. Presentation of report to Coordinating Committee/Senior Officials.

6. Discussion by Validation Group of feed-back from Coordinating Committee/Senior Officials on viability of Validation Group's recommendations.

While the external review procedure was getting under way, the Senior Financial Officer continued to lobby for an information evaluation and integration procedure. He succeeded in establishing a Committee for MFP Information Evaluation and Integration, which became better known as the Vetting Committee. The membership consisted of representatives from various functional area committees and one representative from the Coordinating Committee. The Vetting Committee met individually with the chairmen of the program committees and reviewed the proposed program policies. A March 9, 1984 record of minutes of the first meeting is summarized below:

- MFP is now at the stage when the program committee reports will have to be correlated with the functional committee recommendations
- the Vetting Committee will do this integrating task
- second-draft policies will be scrutinized according to these criteria:
  1) front-end and post-audit information required by program chairmen
  2) accuracy
  3) consistency - dates must be consistent throughout MFP
  4) compatibility with principles of MFP
  5) impact on functional areas
- to facilitate this process, Claim & Payment cycle functional area report will be tabled with Education Officials and distributed to program committee chairmen
- schedule will be set up to meet with program committee chairmen during March 19-22, 1984.

On March 9, 1984, the Provincial Evaluation Policies were submitted to the Minister for approval. On March 12, 1984 Education Officials began reviewing functional area committee

reports. The minutes of the March 12, 1984 Education Officials meeting also record that the Validation Group was ready to meet with each program committee chairperson to discuss proposed policies, guidelines and procedures.

On March 15, 1984, the Coordinating Committee made a presentation on MFP implementation to Regional Office staff in Edmonton. Based on discussions from that session, the chairman of the Coordinating Committee sent a memorandum to Regional Office directors on March 19, 1984. This memorandum contained a preliminary action plan for Regional Office involvement, shown below:

DATE		ACTIVITY
1984 March	Discuss	- policy manual, claim and payment form, annual report, school jurisdiction education plan
	Develop	- approach to MFP implementation in Regional Offices
1984 April	Receive Notice	- of evaluation policies by the Minister
	Assist Pilot	- claim and payment form
	Assist Pilot	- school jurisdiction annual report
	Prepare & Discuss	- Regional Office workshop package
	Assist Communicate/ Interpret	- annual budget to school jurisdictions.
1984 May	Conduct	- inservice workshops with Regional Office personnel
	Conduct	- MFP workshops with school jurisdictions by Regional Offices
	Make	- adjustments to MFP as required
	Include	- MFP functions included in MPAS plans
	Plan	- for evaluation in coming year
1984 June	Distribute	- new claim and payment forms to school jurisdictions
	Assist	- school jurisdictions to begin the development of evaluation policies, guidelines and procedures
	Re-write	- job descriptions of Regional Office personnel (primary) and provincial office of education (as necessary)
	Plan	- for evaluation in coming year.

1984 September	Receive & Approve	- new claim and payment forms from school jurisdictions
	Continue	- to assist school jurisdictions in the application of the provincial evaluation policies, guidelines and procedures to local planning
1985 January	Confirm	- the completion of evaluation policies, guidelines and procedure by school jurisdictions
	Assist	- school jurisdictions in the preparation of MFP policies, guidelines and procedures (time permitting)
1985 July	Receive	- first school jurisdiction annual reports under the MFP plan
	Communicate	- the need for school jurisdiction MFP plans to be in place
	Communicate	- the need for school jurisdiction MFP policies, guidelines and procedures to be in place
1985 August	Analyze	- first school jurisdiction annual reports
	Recommend	- adjustments (major) to activities of school jurisdictions to Provincial Office.
1985 September	Receive and Approve	- claim and payment forms from school jurisdictions to Provincial Office.
Management Cycle Continues		

Thus implementation planning began before the results of the external review were available.

At the March 19, 1984 Education Officials meeting, two items relating to external review of MFP were discussed. First, consultants from the private firm of Price-Waterhouse were engaged to review MFP developments, in accordance with a decision made at the February 29, 1984 Education Officials meeting. Second, it was suggested that the ATA, ASTA and other stakeholder groups should be involved in MFP discussions. The Coordinating Committee was asked to consider an appropriate time for such involvement.

The Validating Group submitted a preliminary report on March 20, 1984 on the basis of examining the following program policies and interviewing their chairmen during March 12 to March 17, 1984: Early Childhood Services, School Capital Funding, Building Quality Restoration

Program (BQRP), Vocational Education, Academic-Occupational (EOF), EOF Compensatory, Teacher In-service, and Special Education. The following is a summary of their general comments:

1. - there is a wide variability among the programs in the extent to which block funding had been achieved

2. - Special Education funding formula is favored
   - Academic-Occupational funding could be rolled into the Special Education block
   - ECS funding could be rolled into the School Foundation Program Fund block

3. - to what extent can school jurisdictions set their own priorities when implementing program plans?

4. - simplification of the claim and payment process is strongly endorsed
   - note: there is a carrot and stick strategy implicit in MFP--at the front end, school jurisdictions are encouraged to access funds with few provincial controls; at the back end, there is a drift in some programs to stronger provincial controls through evaluation procedures

5. - why is there variability among programs on the monitoring and evaluating procedures?

6. - some programs do not adhere to the MFP principles (e.g., School Capital Funding, BQRP, and EOF Academic-Occupational and Compensatory)

7. - more complex negotiations among school jurisdictions will be required as a result of resident pupil basis for funding. The margin for conflict between school jurisdictions could increase as a result of the need for more extensive negotiations required to settle tuition agreements.

Before the final reports of the external review processes were submitted, the Coordinating Committee was already fully focused on implementation planning and the Regional Offices became active players in the process.

Implementation Planning

In comparison with the work intensity of the previous phases of MFP development, the implementation planning phase was almost anti-climactic. The work load and timelines were much less severe, and much more emphasis was placed on meeting with stakeholders and inservicing Regional Offices as upcoming implementors.

On March 22, 1984 the Coordinating Committee gave a presentation on MFP implementation at the Lethbridge Regional Office. One of the sources of anxiety was the role change for Regional Office staff from consultants to evaluators. In addition to the requirement for new skills there appeared to be no adequate definition or model of monitoring and evaluation. One official voiced those frustrations: "There wasn't and still isn't a good description of what is really monitoring, what is evaluation, and really what is to happen in these evaluations. There isn't a good evaluation plan in place." A Regional Office director agreed: "We have a lot of people out there who purport to be monitoring, but aren't, because they don't know what the hell monitoring is. How does monitoring differ from evaluation? What kinds of standards does one have for evaluation?"

These questions became apparent at the March 27, 1984 meeting of committee chairmen. As a result, the Coordinating Committee circulated a list of definitions of selected terms on the same day. The definitions of monitoring and evaluation appear below:

MONITORING: Monitoring is a continual process of determining whether implementation is preceding according to plan. It involves information-gathering and reporting which support day to day management and also provides data for subsequent evaluation(s).

EVALUATION: Evaluation is an in-depth analytical activity designed to provide information about the results, effectiveness and efficiency of the organization and its programs.

While there are many different types of evaluation, two are mentioned here: summative and formative evaluation.

Summative or outcome evaluation is characteristically concerned with evaluation of results. It involves such a question as: Shall we accept, retain or modify the program? It is summative in that it has an overall decision function (outcome). It is most useful in determining which programs work and thereby provides a basis for making decisions about alternative programs.

Formal evaluation is an ongoing process in which information is added continuously, organized systematically and analyzed periodically. It supplies information which may contribute to a review of decisions on specific aspects of a program.

These definitions were not particularly helpful to the staff, since there appeared to be little difference between monitoring and formative evaluation. Furthermore, in all MFP plans and policies, monitoring was considered as an ongoing and essential part of the management process, not, as was implied by the definition, a process associated only with MFP implementation. The school jurisdictions were concerned about the definition of summative evaluation which clearly implied that funding for programs could be discontinued on the basis of evaluations done by Regional Offices.

There were individuals in the department who resisted the change in philosophy and changes in their work tasks. These individuals resisted the MFP implementation process not only covertly but also openly and their attitudes were known informally throughout the department. As one official reported:

> There were actually some staff of the Department of Education who actively criticised MFP with our referent groups--stakeholders. I am not prepared to mention individuals but I know. There were a number of individuals, who privately to superintendents and to ATA representatives and the rest of them, were critical of MFP and, by inference, critical of the leadership of the Department. And, whether inadvertently or deliberately, they did their best to undermine the direction in which the Department was going.

Such sentiments were echoed by many committee members, who also indicated that such activities were common knowledge among staff.

By the end of March, the Coordinating Committee began an active campaign of establishing linkages with the ATA, ASTA and their Catholic counterpart ACSTA, and other agencies, in order to solicit their assistance with MFP implementation.

On March 30, 1984, the Regional Offices submitted first drafts of regional MFP implementation plans. During this time of active preparation for implementation, two of the MFP reviews were completed. On March 30, 1984 the Vetting Committee submitted their report titled "Issues Paper." The observations and recommendations of the Vetting Committee were in agreement with those of the Validating Group. It was observed, for example, that Academic-Occupational and Extension programs, as well as BQRP and School Capital, were radically different from the MFP concept. Also in agreement with the Validating Group, it was suggested

that ECS should be defined in the School Act and coalesced with the School Foundation Program Fund. Other suggestions for coalescence were: EOF Compensatory and Equity, and EOF Elementary with SFPF. It was also recommended that primary responsibility for monitoring and evaluation of special pupil needs programs should rest with the Regional Offices. The Regional Offices would thus be performance certifiers while the Provincial Office would maintain expenditure officer status and duties.

On April 2, 1984 the Price Waterhouse review document was circulated. The report basically agreed with the other reviews on general implementation issues, but showed lack of familiarity with organizational structure, and with some MFP documents dealing with specific issues. Programs such as EOF--Compensatory, Academic-Occupational and Vocational Education were once again identified for their inconsistency with MFP principles. Another observation already made by others was that: "The policy documents have been authored by a number of committees and consequently there are numerous inconsistencies in writing style, level of detail and approach" (p. 11, #1). Some attention was given to the state of turmoil in Regional Offices in the face of MFP implementation:

> The Regional Office role will change significantly . . . This changed role will require a shift in emphasis from professional competence to management skills. The import of this observation is that not all staff will have the competence or desire to adapt. This will require increased emphasis on staff performance evaluation and on professional development. Decentralization of this responsibility to the Regional Office will create stress in Regional Offices because of a perceived increase in work volume. (p. 13, #2)

Where specific recommendations from specific reports were reviewed, lack of familiarity with educational context nindered the consultants from Price Waterhouse. The report was received at the April 2, 1984 meeting of Education Officials, where the Senior Financial Officer was acting Assistant Deputy Minister (Finance and Administration). The Senior Financial Officer criticised the report strongly at the meeting, and followed this by a memorandum on April 9, 1984 to the Assistant Deputy Minister (Finance and Administration). In spite of the heated reaction to the report exhibited by the Senior Financial Officer, other officials appeared to treat it with indifference. In very short time the report was "consigned to oblivion." Although the report

was not particularly striking in its content, it may have also suffered from unfortunate timing. By the beginning of April, the original MFP committees had returned to their regular tasks and to catching up with projects that were put aside during January and February, and therefore their interest in this report was marginal. The Coordinating Committee and the Regional Offices were in the midst of implementation planning, and hence the report did not receive great attention. Indeed, the release of this report almost coincided with the release of the "Report of the Functional Area Committee on Impact of MFP on Regional Offices," on March 29, 1984. Any recommendations about Regional Offices in the Price Waterhouse report would have been considered superfluous. Furthermore, the activities in which Regional Offices become involved in addition to their regular d ,ties monopolized the time of Regional Office staff.

On April 2, 1984, for example, while the Price Waterhouse report was discussed by Education Officials, the Coordinating Committee was giving a presentation at the Grande Prairie Regional Office.

On April 4, 1984, representatives of all five Regional Offices met in Edmonton for a workshop on MFP implementation. This workshop was presented by the Coordinating Committee, the Senior Financial Officer and other departmental staff.

In terms of public promotion of MFP, Regional Office directors arranged various public workshops during April and May, 1984. Additionally, during April 9 to 30, 1984 the first draft of a public document was being prepared which outlined program policies as well as the operational plan of MFP. Other information included was the outline of local responsibilities regarding development of policies, guidelines, and procedures.

On April 16, 1984, two issues were discussed at the Education Officials meeting. First, the final report of the Validating Group was tabled. The work of the Validating Group represented only a small part of the validating process described in its terms of reference, but given the capacity of the department to absorb additional information, the scope of the work was appropriate. Indeed as the capacity for attention continued to decrease, it was inevitable that the initial report of the Validating Group received much more attention than the final report.

The second issue was a review of proposed policies on urban and rural transportation. A review of transportation grants began prior to MFP and results of that work were being synthesized with MFP principles. Since transportation grants were politically volatile because of intense interests from school boards and parent groups, the proposed policies were hotly debated.

On April 23, 1984 the first draft of a public information package was submitted to Education Officials and Regional Office directors for review. Between April 23 and May 11, 1984 a series of Regional Office workshops were held in order to inform the staff about the content and implications of particular program policies and the public information package. Program directors visited the Regional Offices in order to explain fully the new program policies, guidelines, and procedures.

While preparations for the introduction of MFP to the general public were proceeding and the public information package was being finalized, Education Officials continued to debate the transportation policies. At the April 26, 1984 meeting of Education Officials, changes to the policies were made as a result of recommendations by the Minister. Additionally, a paper titled "Three-Year Management and Finance Plan Implementation Strategy" was submitted by the chairman of the Coordinating Committee. Several revisions were suggested, and it was agreed that the redeveloped paper would be circulated to Regional Office directors. What became evident by this time was that Education Officials considered the large percentage of internal implementation of MFP to be completed. Education Officials withdrew from participating actively in MFP development activities and turned their attention to promoting MFP among stakeholders.

Regional Offices were also engaged in promoting MFP among stakeholders, but at local level, where operational details rather than principles were discussed. A series of workshops for school jurisdictions dealing with MFP implementation was organized by Regional Office directors. The topics of interest at such workshops invariably included the evaluation function of Regional Office consultants, possible penalties, and disposition of surplus funds marked for particular programs, such as Special Education.

Given general apprehension about the impact of program activities on funding, it was no surprise that stakeholder groups representing school jurisdiction administration were enthusiastic about field testing financial aspects of MFP as proposed on January 19, 1984 by the Senior Financial Officer. The groups representing secretary-treasurer (ASBOA) and superintendents (CASS) selected eight pilot jurisdictions and plans were made for applying the new grant forms in actual budget building and for subsequent evaluation sessions. The evaluation sessions were scheduled for June 4 to June 8, 1984. The following jurisdictions were chosen by ASBOA/CASS:

1. Red Deer School District #104
2. Grande Prairie School District #2357
3. Calgary School District #19
4. Rocky Mountain House School Division #15
5. Fort McMurray R.C.S.S.D. #32
6. Foothills School Division #38
7. County of Lethbridge #26
8. County of Flagstaff #29.

Prior to the evaluation meeting, each pilot jurisdiction received a manual comprised of the public MFP Information Package, as well as new claim forms and all the required financial information. In addition, a questionnaire for comments and reactions was distributed at each meeting to be completed and mailed back. Finally, each departmental staff member completed a questionnaire about the proceedings of each session. On the basis of discussions, questionnaires and notes, an analysis was made which became the source of the Field Testing Report. The department had serious interest in this activity not only because it provided an opportunity for final "fine tuning" of the financial forms, but also because of the great public relations value of the enterprise. The importance of the field testing was underscored by the attendance of the Assistant Deputy Minister (Finance and Administration) at a subsequent debriefing session of pilot jurisdictions.

The Field Testing Report of June 20, 1984 indicated that the opportunity for consultation was well received by the pilot jurisdictions and their referent groups. There was a general concern expressed by superintendents about increased work load. Larger jurisdictions, on the other hand, expressed greatest concern at the process of determination of resident pupil count, and its relationship to Special Education block funding and tuition agreements among jurisdictions. Other general concerns included the method and timing of funding adjustments for inadequate programs and possible discretion over reallocation of surplus funds. Most pilot jurisdictions used raised questions about the proposed Annual Report even though it was not part of the agenda. The Annual Report was intended to be one of the pillars of MFP in that it was envisioned as a mechanism for reporting annual educational results and accomplishments of a jurisdiction, thus answering the question 'what did you do with the grants you were given?' A Regional Office director recalled the problems encountered in operationalizing the Annual Report concept:

> Nobody while we were implementing it was really sure what the hell it would look like. Even now we are in the throes of changing it . . . A lot of these reports came in over the past two years, people would circulate one and say 'this is a really good job.' Many of the 'good' reports were done by superintendents and associate superintendents because nobody wants to talk to the parents--bloody chaos! You know, a superintendent sitting in his office writing an Annual Report on the state of the nation, who wasn't aware of the state of the nation, and here people are saying 'This is really marvellous.'

The majority of the financially-related recommendations from the pilot jurisdictions were followed by the Department, but the issue of the Annual Report remained problematic long after MFP was implemented.

The field testing was the last significant activity that was not sponsored by Regional Offices. All other activities, with the exception of final adjustments made to grants or the claim and payment process, focused on MFP implementation in Regional Offices or in the school jurisdictions.

In mid-June, while the Coordinating Committee worked on revisions to the MFP operational plan, Regional Office staff continued to provide orientation workshops for school

jurisdictions in their zones. The departmental shift in focus from finance to programs was reflected in these workshops, however, many jurisdictions accorded more significance to the finance related initiatives, as one finance staff member recalled:

> This shift did not become apparent to boards at first. It took a long time for superintendents to get on side; to understand with the evaluation policies meant. They didn't take it too seriously at the beginning. Some of the school systems that weren't directly involved never even read the papers that went out to them.

As school jurisdictions realized that the requirement for local evaluation and other policies was serious, more opposition was heard during workshops and seminars. For example, in a June 12, 1984 report from the Red Deer Regional Office MFP Implementation Seminar, the Senior Financial Officer noted:

> There was an accusation of the departmental central office presenter being "glib" about the workload and effort in evaluation and policy development and its implementation.
>
> A strong position was taken opposing the view that each school jurisdiction should develop its own policies. It was felt that it is a great waste of human resources and time for each jurisdiction to develop its own policies when in fact there would be a great deal of commonality.

On June 30, 1984 Regional Offices sent out new grant forms to school jurisdictions to complete, representing the first tangible evidence of MFP implementation in the field. On July 15, 1984 the Coordinating Committee received feedback on the proposed MFP operational plan. The plan was reworked during the next month according to directions from Education Officials. At the July 16, 1984 Education Officials meeting the recommendations emanating from field testing were officially accepted for implementation.

As the new school year approached, attention of Education Officials increasingly focused on the financial aspects of MFP. Pending decisions were being addressed and potential problems were anticipated and identified. The need for information coordination was once again remembered as a July 18, 1984 report titled "A Perspective on the Need for Information: Alberta Education and the MFP" was circulated by Planning Services. This report was overshadowed by the work of the Equity Committee which intensified during June and July, and by the focus on financial operational details.

At the July 23, 1984 Education Officials meeting, it was agreed that the Claim and Payment cycle report should be reviewed to ensure that it would be consistent with developments to date. Education Officials also decided that the expenditure officer authority for the Adult Basic Education Extension Program (often noted for its lack of conformity with MFP) would be delegated to the Regional Offices. At the July 30, 1984 meeting, while reviewing the Claim and Payment Cycle report, Special Education funding for the 1984-85 school year was discussed. It was agreed that since this was a transition year, transfers of funds from Special Education to other programs could be made only with approval. Another issue discussed was Phase 2 of the MFP project, which was described in the operational plan of the Coordinating Committee. It was agreed that for Phase 2, coordination should be replaced by continual monitoring.

The increased rate of decision making on key issues by Education Officials continued through August. At the August 13, 1984 meeting key decisions regarding the performance certifier and expenditure officer authority were made. With respect to Building Quality Restoration Program, it was agreed that the Assistant Deputy Minister (Finance and Administration) would review the performance certification authority of the School Buildings Branch and decide who will assume the task of monitoring. With respect to Special Education funding, all program approval authority as well as responsibility for coordination of current monies should rest exclusively with the Deputy Minister, rather than the Assistant Deputy Minister (Program Development). Finally, it was emphasized that, unequivocally, Financial and Administrative Services must monitor all expenditures. It was made very clear that Regional Offices would act in an advisory capacity, while policy decisions would continue to be made in the provincial central office. This final set of decision effectively stopped the progress of the power shift from the financial area of the Provincial Office to Regional Offices. The decisions regarding Special Education were discussed further at the August 20, 1984 meeting. It was decided that in addition to program approval authority, as decided earlier, the expenditure officer authority would also be removed from Regional Offices, in this case to the Assistant

Deputy Minister (Program Delivery). The need to coordinate the activities of Regional Offices and the need for the remaining three divisions to provide support and assistance to Regional Offices were stressed. The Coordinating Committee chairman's point, raised with Education Officials earlier, was also noted: that while the policy functions remain the primary responsibilty of central offices, feedback and input from Regional Offices is essential to informing the policy process. The Deputy Minister then stressed the fact that the Senior Financial Officer has final responsibility in all financial transactions according to the Financial Administration Act and that he expects the Senior Financial Officer to fulfill the role in as direct a fashion as circumstances warrant. Another key issue that needed to be resolved was the definition of resident pupil. The Assistant Deputy Minister (Finance and Administration) presented a revised definition and explained its implications in terms of distribution of undeclared corporate assessment. The revised definition was approved. In addition to these key decisions, a number of specific decisions on particular programs were also finalized. Thus ended a period of concentrated decision making activity by Education Officials, which prepared the department for the official MFP implementation date of September 1, 1984.

September 1, 1984 was the official date for school jurisdictions to begin development of local policies, guidelines and procedures. Between September 1 and 30, 1984 school jurisdictions submitted the first grant application and payment forms under MFP. Other aspects of MFP would be implemented over the two years following the official implementation date.

Summary

The case study of MFP development was reported in this chapter, from the earliest conceptualization of the plan in November of 1983 to its official implementation date of September 1, 1984. While a distinct sequence of development stages was not observed, since activities often occurred simultaneously, it was possible to identify phases of primary focus. The following phases were identified and activities associated with them were described: conceptual framework of policy space, policy deliberation and planning, resource mobilization, policy

structuring, policy feedback and review, and policy implementation planning. The main events are also summarized chronologically in Appendix A.

Chapter 5

ANALYSIS RELATED TO SELECTED MODELS

Analysis of the data presented in Chapter 4 leads to the identification of four emergent themes which characterize the process of MFP development. The themes are used as the basis for comparison with selected systems based policy making models in an attempt to answer Research Question 5. A model centered on the roles of chief actors is discussed as a possible means to augment the policy making models discussed above. A number of reflections offered by the interviewees are used in addition to the information from Chapter 4 in an attempt to apply the model to this case. The applicability of the model is subsequently discussed.

Emergent Themes

The description of the development of the Management and Finance Plan was the product of primary analysis of collected data in order to answer Research Questions 1 to 4. Research Question 5 required secondary analysis of the material presented in Chapter 4 in order to identify emergent themes. Consistent with the research strategy, the themes emerged on the basis of meanings consistently ascribed to events and documents by the interviewees. Certain observations persistently appeared in most or all of the interviews. The interviewees were able to offer documentation for some observations, while others were not amenable to any documentation. Frequency and consistency of particular observations were the basis on which the emergent themes were identified. Based on these criteria, only four general themes were identified on which agreement could be found among the interviewees. Since the interviewees tended to consider specific aspects of each theme particularly important, two sub-themes were identified for each theme.

Selection of Models for Analysis

The themes and sub-themes can be viewed as the essential characteristics of the MFP development process described in Chapter 4. As such, these themes were considered to be the appropriate bases for comparison with the models of policy making selected from the literature. In order to answer Research Question 5, a number of policy models were reviewed in Chapter 2. Of all the models reviewed, the systems-based models of policy making were judged to be the most appropriate because in this study the chief actors professed a systems orientation and demonstrated sensitivity to the demands of stakeholders. The models used for comparison with the findings of this study, listed by authors, were: Campbell and Mazzoni, Dror, Iannaccone, Simmons et al., Friend et al., and Mintzberg et al. Although Bosetti's model was also reviewed in Chapter 2, its policy making component was adapted from Dror's model; therefore the inclusion of Bosetti's model would yield redundant information.

Comparison of the Themes to the Policy Models

This analysis was intended to answer Research Question 5, which states:

> To what extent are the policy making processes actually experienced in the field described in the literature?

Once the themes were selected as the bases of comparison, and the policy models were selected as appropriate representatives from the literature, the method of comparing the two rested on examining each model in order to determine the extent to which it addressed each theme and sub-theme. The results of this analysis for each theme are presented in the tables, accompanied by summaries. Since most of the selected models appear to have been intended for system-level description of policy processes, they explain rather superficially the components of which they are comprised. This discrepancy between widely documented themes and scantily described components created difficulties in the comparing process which is reflected in the coding system used in the tables.

The symbol (O) was used to indicate that the model did not address a particular theme at all; (±) was used in cases where the existence of the theme was not discussed in enough detail to enable the researcher to discern whether the interpretation of that component in the model agreed or disagreed with the findings underlying the sub-theme in question. For example, vis-a-vis sub-theme B1, "Management of Communications," models of Iannaccone and Simmons et al. were designated (±). Iannaccone claimed that each type of organizational structure develops a characteristic type of information handling. Since Iannaccone did not provide much detail beyond general labels it would be difficult to determine how his view would apply to this case. Simmons et al. also received the (±) "general" rating for their view that the calibre of the professional staff is an important factor in communications.

Where a discussion of a component was in agreement with the findings that gave rise to a particular sub-theme, and where enough information was provided to enable the researcher to discern that this was the case, a (+) "specific reference agrees" symbol was used. For example, both Dror and Friend et al. discussed strategically controlled formal and informal communications networks as important factors in policy making, which was in agreement with the reports of interviewees about informal "pipelines."

A (-) "specific reference disagrees" symbol was used to indicate that a component was discussed in enough detail to show that its relationship or role in the model was in opposition to the findings of this case. For example, sub-theme D I, "Delineation Between Internal and External Environment" was based on the observation that policy actors in Alberta Education considered the Departmental boundaries to define internal environment, and employed political sensitivity in dealing with individuals or organizations outside Departmental boundaries. Friend et al. received the (-) rating because they viewed a policy system as forming regardless of organizational boundaries, in response to a particular issue. In their view actors would be drawn from stakeholder groups that were defined by the policy issue, and their association would dissolve when the policy problem was resolved. In their view, public policy issues would be defined not by discrete organizations, but trans-organizationally, according to the requirements

posed by each problem solving situation. The findings of this case showed that the Departmental philosophy maintained that Alberta Education is legally responsible for education in the province and, therefore, for defining the issues pertaining to education. While stakeholders and individuals from the external environment would have input, the responsibility for issue identification was clearly felt to be Departmental.

The criteria described above were applied in comparing each model to each sub-theme. Summary tables contain the results for both sub-themes that comprise each particular theme.

Treatment of Themes

The two sub-themes of each theme are first described, followed by an analysis of how each was treated in the six selected models. The treatment of the sub-themes is then summarized graphically in a table.

Theme A: State of the System

1. State of Disequilibrium

A common theme running through the interviewees' accounts was that the organization was in a state of flux. There was a sense that a new order was being established. One interviewee specifically alleged that MFP's hidden agenda was to change the culture in the Department. It is interesting to note the definition of Smith et al. (1982:267) of "quasi-stationary equilibrium": "This balance is linked and supported by values, customs, rationale, rituals and other activities which might be called 'culture.'"

The appointment of the new Deputy Minister was quickly followed by the reorganization of the Department, which was continued through MFP as a vehicle. Many of the actors interviewed perceived the reorganization as a massive structural change, while MFP brought about significant functional changes. The imminent and expected wave of retirements added another dimension to the dynamic state of the organization, and to the unfreezing of former equilibrium.

2. Changes in Organizational Membership

The first significant change occurred when the Senior Financial officer was replaced by the new chairman of the Coordinating Committee as leader of the MFP project. While the Senior Financial Officer was a "known quantity," identifiable in terms of his history with the Department and in terms of his membership in informal communication networks, the chairman was a newcomer to the Department, a non-educator, and therefore an "unknown quantity." Many interviewees reported loss of confidence in the MFP project when the change was first announced because of the chairman's lack of experience in the education field and in the Department.

Other membership changes were less obvious but more pervasive. The new Planning and Evaluation Division, for example, had a number of vacancies which were gradually being filled. The Director of School Business Administrative Services left to pursue other career plans, and first retirements began to take place.

What emerged as a theme, then, was that the Department was in a state of flux. The status quo was replaced by a new order and unpredictability replaced regularity. Coincidentally, the Government's campaign to downsize the civil service bureaucracy began at the same time, and served to increase the apprehension already felt by members of Alberta Education. Introduction of major policy development during a period of substantial changes appears to be accompanied by decreased trust and commitment on the part of the organization's members. Smith et al. (1982:262), in discussing the difficulties accompanying organizational change, concluded that "Organizations are not meant to change. They are a form of social life that means to endure."

A state of disequilibrium influences the organization members' perceptions and attitudes. The policy actors' commitment and performance in the policy process then are likely to differ in time of flux and in time of stability.

The treatment of the components of Theme A by the policy making models from Chapter 2 is summarized in Table 5.1.

Table 5.1

Presence of Components of Theme A in Policy Making Models

Models of Policy Making from Chapter 2	Theme A: State of the System	
	1. State of Disequilibrium	2. Changes in Organizational Membership
Campbell & Mazzoni	0	–
Dror	±	0
Iannaccone	0	±
Simmons et al.	±	–
Friend et al.	–	±
Mintzberg et al.	0	0

Symbols:
0 = no reference or not relevant
– = specific reference disagrees
± = general reference
+ = specific reference agrees

Treatment of A 1. State of Disequilibrium

Generally, there was little or no reference to this component. Some models implied the status quo in the organization, while others stated that the organization is a constant while the processes of policy making are dynamic.

Campbell and Mazzoni did not treat this issue specifically, but implied that they assumed the status quo in their description of the policy system. A controlled system was a prerequisite in Dror's model which assumed a stable system existing in an unstable environment. While he described the decision making process as dynamic, the organization was carefully controlled. The exception is shock-oriented megapolicy which Dror (1971:69) described as achieving goals through a shock effect on the involved target system: "usually the purpose is to achieve longer-range objectives through shocking a target system into a new state of existence."

Simmons et al. built their model on the assumption of a stable policy system with policy style and history, which exerts influence on its environment. They did, however, indicate that a stable state is not the only possibility. They acknowledged that a state of crisis can exist, although they did not describe such a state and its influence on policy actors. Simmons et al. viewed the state of the system as a matter of external, rather than internal relations. They noted that the availability of power and resources may depend on the existence of conditions of stability or crisis. The capacity of key actors to introduce crises was seen as a possible way of increasing policy options. Simmons et al. also observed that professional staff have greater influence on policy when condition of stability exists, while politicians (ministers) have more control during time of crisis.

Friend et al. assume stability of interactive structures (e.g., government institutions) to deal with classes of problems. Mintzberg et al. assumed stable organization structure dealing with dynamic processes, but unlike Friend et al., they did not dwell on the structure at all.

Generally, the possibility of disequilibrium was either not considered at all or noted in general terms. The effects of disequilibrium on the actors' perceptions, behavior and policy performance were not addressed in any of the models.

Treatment of A 2. Changes in Organizational Membership

This second component of Theme A was treated similarly to the first component--it was either not considered at all, or the possibility of its occurrence was noted in general terms.

Campbell and Mazzoni envisioned a relatively stable group of actors who interact on a regular basis, while Dror did not address this component at all.

Iannaccone maintained that actors and their policy styles are determined by the organization structure. Extending this argument then, a change in organizational structure would be accompanied by a change in the roster of actors, unless the incumbents were able to change their style. Since personnel changes would apply primarily to chief actors, there remains a need to explore how such changes affect the rest of the organization members. Simmons et al., in speaking about policy style, tradition and history, implied that their model is based on the assumption of a stable organization. Unlike Iannaccone, however, they maintained that the style and tradition were created by the actors, not by the organizational structure.

Friend et al. did not equate the policy system boundaries with the boundaries of one organization. They claimed that actors within a policy system may represent two or more different corporate agencies, which would imply a possible change of actors from one policy issue to another. The allegiances of actors would, therefore, remain with their own organization. Hence each actor would still be vulnerable to the changes in equilibrium in his or her organization. The model, however, is not extended to this level of detail. Finally, Mintzberg et al. did not address this component at all.

Theme B: Performance of Policy Processes

1. Management of Communications

The management of communications appeared to be problematic on several levels. Memoranda initiated by the Senior Financial Officer as well as the formation at his request of two committees (the Integrating Group for Functional Area Committee and the Vetting Committee) attest to inadequate communications of what was expected of the staff involved in the policy making process. As a result, most people had a limited perspective on the "big picture" and were unable to visualize how their work related to the overall plan. Since the Deputy Minister made it clear that he would provide the direction and expect it to be translated into action, the onus was on the incumbents of subsequent layers of the organization to clarify the direction for those people actually writing the policies. The message that went out to the people was influenced by the level of understanding and motivation of each official. Communications were also affected by the perceptions of the intents of the policy by the actors. Most interviewees reported speculations on hidden agendas and master plans.

There was also a perception that some people were members of a privileged communications network and knew the "behind-the-scenes" facts. Information thus became the currency of power. For example, the perception of the Coordinating Committee chairman's power potential increased with rumors that he had "a direct pipeline to the Deputy Minister's office."

The information on the "internal" management of communications is virtually impossible to detect through document analysis. The researcher must rely on interview information or participant observations.

2. Ad Hoc Planning

The time constraints imposed on the policy process by Government budget timelines necessitated that planning be done after the commitment to the policy had been made by the Minister and Deputy Minister. With planning being done virtually concurrently with the policy

process itself, gaps appeared, for example, in the provisions for linkages between various functional groups. Because of the time constraints, there was no opportunity to go back to the beginning and rethink a problem and solution--alternatives had to be provided almost immediately. Furthermore, timelines became even more pressing when the ongoing daily work load of everyone involved in the process was included. This strained the organization members' capacities to the maximum and, no doubt, had a negative effect on the planning capabilities as well.

The treatment of the components of Theme B by the policy making models from Chapter 2 is summarized in Table 5.2.

Treatment of B 1. Management of Communications

This component was addressed to various degrees by most models. In some models this component received particular emphasis.

While Campbell and Mazzone did not address the management of communications at all, Dror stressed its importance in several ways. Dror's model has communication and feedback channels interconnecting all phases. Dror stressed that communications must be controlled rather than be allowed to develop spontaneously. In communications with the external environment Dror advised that policy makers cannot specify all values (according to his model) because it may not be politically prudent to specify some of them publicly. Internally, Dror emphasized that a highly elaborate, efficient and controlled communications network must be consciously designed and managed by top policy actors. The design and operation of such a network would, of course, reflect the policy actors' subjective image of reality.

Iannaccone dealt with communications on a general level, with each type of organizational structure developing a characteristic type of information handling. Simmons et al. held a similar view, adding the calibre of professional staff as another important factor in the overall communications mechanism. Simmons et al. also stressed the importance of feedback.

Table 5.2

Presence of Components of Theme B in Policy Making Models

Models of Policy Making from Chapter 2	Theme B: Performance of Policy Process	
	1. Management of Communications	2. Ad Hoc Planning
Campbell & Mazzoni	0	0
Dror	+ Controlled internal communication network	+ Rational planning sequence impossible in real life
Iannaccone	±	0
Simmons et al.	±	0
Friend et al.	+ Strategically controlled formal and informal communication network	0
Mintzberg et al.	+ A need for a good understanding of the problem/issue	±

Symbols:
0 = no reference/not relevant
– = specific reference disagrees
± = general reference
+ = specific reference agrees

Friend et al. described the communications process similarly to Dror, although they used the term "decision network." They defined decision network as open network of communications among people acting either within policy systems or across their boundaries. These networks can influence the decisions reached in any type of problem. Friend et al. postulated that these complex patterns of communications were controlled by reticulists who would decide which channels to open, which information to send and how much, as well as when it was strategically best to do so. Friend et al. also noted that partisanship is involved in the reticulist actions.

Mintzberg et al. stressed the importance of communications as an essential tool to carry out the tasks inherent in the policy processes. They emphasized the link between communications and understanding, and noted that communications are controlled by top decision makers. In agreement with Dror, they stated that communications dominate every phase of policy making. They also noted that the greater the number of people involved the more time the decision makers spend disseminating information about the progress of the policy decisions.

The ideas of Dror, Friend et al., and Mintzberg et al. reflect some of the observations made in this study. The idea of the communications network controlled by top decision makers surfaced many times in interviews with the policy actors. One problem with attempting to study this mechanism is that it is for the most part informal and "invisible." One way to trace such network might be to record who attends key meetings with top decision makers; it should be noted, however, that such meetings may be held informally, with no minutes or other evidence of their occurrence.

The link between communications and understanding also surfaced clearly in this study. The most frequent complaint of the actors interviewed was that communications were inadequate, so that people did not have a clear idea of what they were supposed to do and how their efforts fit into the bigger picture.

This point was discussed by Van Horn and Van Meter, as noted in Chapter 2. Although their model is not highlighted in this chapter, because it is an implementation model, Van Horn and Van Meter make three significant contributions relative to the discussion of the sub-themes. These are discussed in the appropriate sub-themes. Van Horn and Van Meter's first contribution relates to the observations of communication problems. The authors noted that although clarity is necessary to explain what is required of the actors, communications often get distorted either intentionally or unintentionally, and inconsistencies occur. They noted further that poor communications may reflect the original ambiguity contained in the policy. All the top decision makers, with the exception of the Deputy Minister, acknowledged that initially they had very little understanding of the policy, its extent, and its intent. This ambiguity apparently was reflected in the messages to the subsequent levels of policy actors.

Treatment of B 2. Ad Hoc Planning

Most models treated policy making as a series of processes which are dynamic--the processes may be happening concurrently instead of sequentially, they may be interrupted at any time, or the actors may be obliged to cycle back to previous phases. Such descriptions may or may not imply the acknowledgement of the type of planning-under-constraints that was observed in this study. However, with one exception, none of the models accorded planning any particular attention.

Campbell and Mazzoni outlined a general sequence of policy making activities but did not address planning specifically. On the other hand, Dror did acknowledge planning but suggested that rational planning and sequencing of steps is not possible, since all the phases are dynamically independent and most of them take place at the same time.

Iannaccone claimed that planning and other activities entailed in policy making are related to organizational structure. It appears that he assumed organizational status quo and did not consider states of flux. In contrast to this structured view, Simmons et al. suggested that

interactions among stakeholders, input from the environment, and resources are ingredients for policy planning. They did not, however, elaborate on the nature of planning.

Friend et al. stated that planning depends on the perceptions of actors. They also noted that the more complex the set of problems is, the more likelihood there is of incremental commitment to action, focusing only on those problems where the need for a decision is most pressing.

Mintzberg et al. viewed planning as a controlled activity. Although interrupts might be caused by the environment, they claimed that timing is generally determined by the decision maker.

None of the models addressed planning in great detail. While some assumed it to be a controlled activity and others saw it as a dynamic, responsive activity, none of the authors examined the effects of "ad hoc" responsive planning on the performance of policy actors and on the quality of the policy.

Theme C. Policy Actors

1. **Characteristics, Motivations and Leadership Style of Policy Actors**

The majority of the interviewees stressed as important two events associated with the top leadership of the Department. First, when the former Deputy Minister retired, interest in the position was expressed from within the Department, and it was anticipated by most people that one of the two Associate Deputy Ministers would be selected. When an external candidate was selected instead, some allegiances to the leaders of the former "regime" remained among those Department members who were actors in departmental policy processes. The second occurrence which reportedly contributed to mixed motivations among the actors was that the new Deputy Minister's leadership style was markedly different from the one to which they were accustomed. Some interviewees speculated that since MFP was so strongly linked to the new Deputy Minister, the mixed motivations of many actors extended to MFP.

Another perception reported by some actors was that part of the hidden agenda of MFP was the selection of new managerial candidates in anticipation of the large wave of retirements. Some actors were therefore motivated to prove their leadership capabilities during the MFP policy process. The interviewees who held this view pointed to a number of "post-MFP" promotions to substantiate their perceptions. They also pointed out that MFP committees had mixed memberships, which cut across all divisions and management levels, aided those who had leadership aspirations.

2. Relationships Among Policy Actors

The most obvious characteristic which surfaced during the interviews was the delineation between the "old boys" and the "new guard." The "old boys" held most of the management positions. Their backgrounds revealed a long history of association with the Department which they joined usually after holding the position of a principal with a school system. Their careers with the Department usually included posts as inspectors and superintendents. Most "old boys" therefore had strong links to the field, which were developed over a period of many years. Although most held doctorates, their authority stemmed from their credibility in the field, rather than from academic credentials.

The "new guard" is characterized by people who generally have the academic credentials but lack the many years of experience in the field and in the Department. Because the "old boys" reached retirement age, the "new guard" began to pursue their career ambitions vigorously, particularly as they perceived a covert selection mechanism at work during the MFP policy process. This was reported by some actors as a conflict between "the voice of experience" and "blind ambition." It also sensitized those who had not yet reached retirement age to the protection of their "empires." This protectionism can be traced by identifying programs which succeeded in being exempted from the MFP process.

The conflict between the "old boys" and the "new guard" is symbolized by the replacement of the Senior Financial Officer (one of the youngest "old boys") by the new chairman of the Coordinating Committee (a "newcomer" who represents the "new guard").

As is the case with the communication processes, the insights into actors' motivations and relationships can only be gained from other actors. This information is further limited because researchers can only rely on those insights which are reported by several actors. Although personal information is difficult to collect, it may well be one of the key factors in the explication of policy processes. This view is held by Kroll (1969:23) who concluded that "the function of leadership must include not only its relation to the policy process, but the particular roles personalities play as well."

Although a surprising number of interviewees were willing to discuss and be quoted on their perceptions of personalities of various chief actors, this study was not suitable for the pursuit of such directions, particularly in view of confidentiality guarantees given by the researcher. Nevertheless, it is noteworthy that the actors themselves singled out the influence of personalities as an important factor in the policy process. Kroll (1969:24) made a similar observation:

> Personality is important not only in the study of leadership, but in the total context of the persons concerned with policies. What is known, for example, of the role of non-leaders or non-elites? What sort of people are the followers? Can a personality prototype be drawn which will contribute to the understanding of relationships within the policy fields, particularly involving service and regulatory functions in government?

The treatment of the components of Theme C by the policy making models from Chapter 2 is summarized in Table 5.3.

Treatment of C 1. Characteristics, Motivations and Leadership Style of Policy Actors

This component was addressed in general terms by most models, some of which addressed this issue specifically.

Campbell and Mazzoni acknowledged this issue in a general way by indicating that policy actors have a continuing concern with public policy and that they represent the interests

Table 5.3

Presence of Components of Theme C in Policy Making Models

Models of Policy Making from Chapter 2	Theme C: Policy Actors	
	1. Characteristics, Motivations and Leadership Styles	2. Relationships Among Policy Actors
Campbell & Mazzoni	±	±
Dror	+ Characteristics influence value choices and policy directions	±
Iannaccone	±	±
Simmons et al.	+ Leadership characteristics influence policy	±
Friend et al.	±	±
Mintzberg et al.	±	+ Vetting of committee reports: persuasion and bargaining

Symbols:
0 = no reference/not relevant
– = specific reference disagrees
± = general reference
+ = specific reference agrees

of their groups. From a more pragmatic perspective, Dror noted that personal and organizational characteristics of main policymakers influence the outcome of value processing and hence of policy direction.

Iannaccone discussed leadership characteristics associated with particular organizational types. In opposition to the notion that the organizational structure determines and constraints the style of the actors, Simmons et al. claimed that actors who influence policy decisions develop a policy style which then constrains their activities to the established pattern. One could extrapolate that leadership characteristics of chief actors influence metapolicy.

Friend et al. noted that actors have partisan biases, and that possibility of conflict exists between motivations of individuals. Similarly Mintzberg et al. (1976:262) explained:

> Political activities reflect the influence of individuals who seek to satisfy their personal and institutional needs by the decisions made in an organization. These individuals may be inside or outside the organization; what ties them to the decision process is their belief that they will be affected by the outcome. Their political activities serve to clarify the power relationships in the organization; they can also help to bring about consensus and to mobilize the forces for the implementation of decisions.

Van Horn and Van Meter designated the "disposition of implementors" as one component of their model, because they recognized the considerable influence that motivations of individuals can exert on policy implementation. These theorists noted that implementors' performance is affected by their comprehension of the policy's standards, their orientation toward the standards, and the intensity of their response. As a result, the authors explained, implementors may not execute the policy's standards because they reject the objectives contained in them. Such a rejection would occur if the objectives offend the implementors' personal value systems, self interest, organizational loyalties, existing preferred relationships.

It is interesting to note that while most authors acknowledge the influence of individuals on policy making, all of them were satisfied with general references to this issue.

Treatment of C 2. Relationships Among Policy Actors

This component of Theme C was addressed by all models in general terms.

Campbell and Mazzoni noted that since actors may represent different interest groups, conflict can arise at any time.

Dror stressed that coalition building is one of the basic political processes. Specifically he stated (1968:189): "Gaining the necessary support for a policy involves building a coalition of power centers that together control most of the power that is concerned with the problem the policy is about." Dror therefore advised that policy making should concern itself with strategies for forming coalitions, because a policy couldn't be executed without a coalition. Iannaccone, on the other hand, linked organizational functions to structure. He described different organization types, each of which would have a different pattern of internal interactions. Simmons et al., similarly to Dror, noted that actors and groups may coalesce to affect existing policy. Coalescence dynamics would include status struggle among actors, and bargaining. Similarly, Friend et al. maintained that relationships among actors are based on hierarchy and membership in informal groups. They further noted that each actor has his own impressions about the environment, and these perceptions dictate the course of action that the actor will promote. Mintzberg et al. also discussed internal political activities and noted that those who have some control over choices use bargaining. Another option described was removing the opposing individuals from the power structure. In dealing with stakeholders, persuasion and cooptation were described as the most common approaches.

As was the case with the first component of Theme C, relationships among actors were considered important and influential in the policy making process but weren't explored in any detail.

Theme D. External Environment and Stakeholders

1. Delineation Between Internal and External Environment

The most obvious characteristic of the relationship between the Department and its environment is the clear delineation between the Department and 'the field.' From the various stakeholders' dealings with the Department during the MFP policy process, it appears that there are similar delineations between the other stakeholders as well--this was illustrated by their reactions to MFP which ranged from support, through indifference to opposition. Even in situations where representatives from stakeholder groups work on the same committee, as occurred for example in the Validating Committee or during MFP field testing, the boundaries were represented and acknowledged.

2. Relationships Between Stakeholder Representatives and Policy Actors

There was agreement among the interviewees that, as a rule, the stakeholders are open in defending and promoting their interests. They are well aware of their political influence and use it in forcing their demands. The school jurisdictions generally represent themselves in dealing with the Department, although the ASTA also represents them in an official province-wide capacity. Because the size of the school jurisdiction roughly corresponds to the strength of political power, there is an informal "pecking order" among them and the large city school boards are considered to be opinion leaders by the Department. Since the influential school boards tend to act individually, organizations such as the ASTA, ASBOA and CASS generally do not appear to wield as much political power as the ATA which presents a "united front" in interactions with the Department.

With respect to MFP, the interviewees reported that the reactions of the stakeholders differed according to the perceived degree of influence MFP would have on their interests. Thus, for example, ASBOA applauded the simplified grants structure, while CASS objected to the increased administrative workload, and the ATA had a very limited reaction. On the individual school board basis, again, there was limited or perhaps symbolic reaction, with the

exception of the issue of Special Education funding. On that issue, individual school boards--particularly the Edmonton Public School Board--objected strenuously and forced the Department to make changes. On the whole, however, the reactions were very limited compared to the reactions directed to Bill 59, the first draft of the new School Act. The overwhelming reaction defeated that Bill, predominantly on two issues--the distribution of taxes and the authority of the school boards.

It appears, therefore, that MFP was perceived by the stakeholders as a largely internal matter, and the effects on the school boards were within the zone of tolerance of the stakeholders. The issues did not deal with amounts of grants (since previous levels were guaranteed) but rather the manner of claim and payment. In terms of requirement for policies, the additional work was considered an inconvenience, but not an unmanageable one.

It is clear that the stakeholder groups are very aware of their political power potential and that understanding the zone of tolerance plays an important role in maintaining cooperative relationships between the stakeholders and the Department.

One of the ways of fostering the cooperative relationships has traditionally been to recognize unique needs of particular boards with special grants. The large boards generally have more unique needs; these boards also have large political power. Once a cooperative relationship is established, it is reasonable to expect that when a contentious issue arises the board in question would be prepared to approach it with a cooperative attitude.

Exceptional allocations may also be made when a Minister is under pressure from constituents or Cabinet colleagues.

A number of interviewees indicated that individual actors from within the Department also used these cooperative techniques to "build up credibility" with the field. Two interviewees reported that specific actors opposed to MFP used their connections in the field to air discrediting comments about MFP.

The treatment of the components of Theme D by the policy making models from Chapter 2 is summarized in Table 5.4.

Table 5.4

Presence of Components of Theme D in Policy Making Models

Models of Policy Making from Chapter 2	Theme D: External Environment and Stakeholders	
	1. Delineations Between Internal and External Environment	2.. Relationships Between Stakeholders and Policy Actors
Campbell & Mazzoni	–	±
Dror	+ Political environment influencing policy makers	+ Degree of power, influence and commitment of groups influences policy
Iannaccone	±	±
Simmons et al.	±	±
Friend et al.	–	±
Mintzberg et al.	±	+ "Too much paper": persuasion, cooptation, bargaining

Symbols:
0 = no reference/not relevant
– = specific reference disagrees
± = general reference
+ = specific reference agrees

Treatment of D 1. Delineation Between Internal and External Environment

All models acknowledged this component, with a variety of conclusions. Campbell and Mazzoni defined environment in terms of policy issues, as immediate environment and general environment. Representatives from different stakeholder groups would therefore make up the immediate environment. This view is in opposition to the findings in this study which indicated a clear delineation between Alberta Education and the stakeholders.

Dror saw policy makers as distinct from the interest groups which try to influence them. Dror's environment is comprised of political bodies, public organizations, and interest groups, all competing with each other to influence public policy makers. On the other hand, Iannaccone maintained that public service policy makers and interest groups are all stakeholders in a larger system. At the same time, his "legislative relationships" linkage structure suggests a separation between Government and interest groups.

Simmons et al. concluded that the policy environment is determined by power arrangements and resources, not organizational boundaries. Consequently they pointed out that the relationship between stakeholders and a government department is not external-internal, rather, they are competing actors in the policy environment. This suggests that the actors are on "equal footing" in terms of the influence they have on public policy. Although the defeat of Bill 59 (new school act) would support the view that stakeholders have decision making powers equal to the Department, legally it is the Department that has the legislative power to make public policy on education. This power is still respected in such cases, for example, as school jurisdiction boundary disputes. It could be concluded that while the Department has superior legislative powers, the stakeholders use their political power as an equalizer.

Friend et al. did not define external and internal environment in terms of organizational boundaries. They claimed that the makeup of the policy system depends on what issue type is being addressed. Actors are drawn from pertinent stakeholders of each particular policy.

Friend et al. defined a policy system as a set of interpersonal and organizational arrangements to deal with a class of problems. Again, this view of environment differs from the one observed in the study.

Although Mintzberg et al. did not deal with this issue directly at all, they used the terms organization and environment in a way that implied a clear separation between internal and external environment.

Treatment of D 2. Relationships Between Stakeholder Representatives and Policy Actors

This component was addressed in general terms by all models. Campbell and Mazzoni held the view that all stakeholders are actors working toward a common goal but representing their own group's interests; consequently, some conflict could arise.

The relationship between actors and stakeholders as competitive interactions and collisions was discussed by Dror who noted that the outcome depends largely on the relative power, involvement, and commitment of the different interest groups. This view is complementary to the observations made in this study. For example, since MFP was perceived largely as an internal matter by the stakeholders, their involvement was relatively low and consequently opposition was relatively low. Bill 59 was perceived as a threat by most stakeholders, consequently their involvement and commitment was high and their combined political power was high.

Only a general observation that policy actors receive input from the environment was made by Iannaccone. Simmons et al. noted more specifically that stakeholders and actors compete to influence the final policy.

The view that actors represent their groups or organizations was maintained by Friend et al. In cases where a policy issue belongs to a higher level policy system, connective planning occurs across boundaries between contiguous but autonomous policy systems.

Mintzberg et al. described the relationships between actors and stakeholders in terms of bargaining, persuasion, and cooptation. Van Horn and Van Meter described the relationships

similarly, adding socialization, and norms and incentives to the list. They also made a very interesting observation (1977:111): "Officials may be so concerned with maintaining cooperative relationships that they soften demands for compliance, lose sight of the goals of the policy, and even assume advocacy roles for the local agencies."

Some reference to actor-stakeholder relationships in all models indicates the importance of this component. However, again, no specific analysis was included in any of the models.

Discussion

In summary, the models reviewed were not concerned with the state of the system or the roster of actors. Some assumed a stable group of actors while others viewed the roster as dependent on the type of policy issue. No mention was made of the possible impact on actors, coalitions, and balance of power that could occur in a state of disequilibrium or in conjunction with significant changes in the roster of actors.

Management of communications was discussed to some degree in all models. It was seen as an important factor in the policy making process and the roles played by individuals were noted in several of the models. Although planning is linked to management of communications, most models did not treat it with particular attention. Generally they assumed that the whole policy making process was dynamic, but the impact of dynamic or ad hoc planning on the actors was not discussed.

Characteristics and leadership style of major policy actors were addressed by all models, as were the relationships among actors. What was lacking was a comprehensive analytical approach for observation. The authors either chose to make generalized observations or they pointed to particular behavior which might happen under particular circumstances. Such examples, standing unsupported by any contextual or theoretical frameworks, do little to explain the roles of actors in various policy making situations.

The delineation between internal and external environment was discussed in most models, yielding a wide variety of views. The relationships between actors and stakeholders were also discussed by all, with the same drawbacks as the discussion of actors' characteristics.

It can be concluded without excessive generalization that those components that were discussed as significant and those on which there was little or no discussion share the same common denominator. Characteristics of chief actors and relationships among them, relationships between actors and stakeholders, and the management of communications have a common link with changes in the roster of actors, state of disequilibrium, and ad hoc planning. This common link is chief actors--their characteristics, perceptions, motivations, and performance. Since the characteristics of actors were not observed in a systematic way by any of the authors, it is not surprising that components, such as state of disequilibrium, and their impact on policy actors were not discussed.

The study of individuals in organizations may seem an intimidating and unmanageable task, yet people in organizations engage in it informally every day. Researchers often prefer the relative safety of assuming that organizational structures determine what people in organizations do. For example, Mintzberg et al. (1976:274) in discussing the areas of decision making concluded:

> The literature still lacks a single acceptable theory to describe how decision processes flow through organizational structures. In fact, it does not even provide a helpful typology of the kinds of decisions made in organizations, especially of those decisions that are found between the operating decisions of the bottom of the hierarchy and the strategic decisions of the top.

It is interesting to note that the above described decisions are precisely the ones that were shown to be most influenced by the policy actors in this study. Perhaps the actors may be the constants, not the decision types. Actors may deal in their own predictable and characteristic way with unpredictable and dynamic problems and situations. It is possible that the infusion of extrarational elements in policy making would make a decision typology of the type described by Mintzberg et al. limited in its relevance to real life application. Iannaccone's model contains a very broad typology which categorizes leadership types as by-products of types of

organizational characteristics, rather than considering personal characteristics. The observations in this study revealed that personal characteristics played a very significant role in the policy making process.

A model that takes into consideration personal leadership characteristics as well as organizational characteristics has been developed by Christopher Hodgkinson (1983). This model is discussed below, in view of the possibility that the ideas might supply the missing element discovered in the review of the policy making model.

Hodgkinson's Model of Values

Hodgkinson (1982:36-37) noted that values are the subjective concepts of the desirable which tend to act as motivating determinants of behavior. He applied these ideas to the examination of organizational leaders. Hodgkinson noted that administrators and organizational members operate from different value levels--the organizational and the individual (Appendix E.1). Furthermore, input from other value levels influence their perceptions of reality (Appendix E.2). The definitions of the five value levels identified by Hodgkinson (1983:23-25) are summarized below:

V_5: Prevailing ethos: culture of the external environment, e.g., subsidiaries of the same agency in Edmonton or Montreal would be different as a result of their environments.

V_4: Subculture: local mores and norms, geography and history (socio-cultural location) influence the consciousness in the workplace, e.g., the counter-culture of the late sixties exerted significant influences on the ethos in certain areas.

V_3: The organizational level: the level at which the administrator operates, to link the organization with its goals.

V_2: The group: mores and norms imposed within the organization, which modulate the consciousness of the individuals.

V_1: The individual: perceptions of the organization, and individual needs, informed by the individual's encounters with groups.

Hodgkinson (1983:24) concluded that: "Any synthetic view of administrative reality must therefore take into account the modulating or filtering effects of subculture and group (V_4, V_2) upon the major influences of culture and individual psychology (V_5, V_1)."

From this general framework of value levels Hodgkinson focused on the relationship between V_3, V_2 and V_1. Hodgkinson defined two distinct processes operating between the three levels. These two processes, administration and management, are shown in Appendix E.3. Subsumed under administration is philosophy and planning--level of ideas. Management operates generally at the level of things--managing, and monitoring resources and outputs, but mobilizing is at the level of people. Bridging these two is politics at the level of people.

The relationship between administration and management is the specific focus of Hodgkinson's' model which he identified as the value paradigm (Figure 5.1). Hodgkinson's explanation of the paradigm is as follows (1983:37-38):

> This paradigmatic typology of value emerges because, so far as I have been able to determine, four and only four kinds of answer can be given to the question, why is an object or action or event deemed to be good or right? The four grounds or justifications for valuing our principles (Type I), consequences (Type IIA), consensus (Type IIB), and preference (Type III).

In keeping with Hodgkinson's observations that values are motivators, the value paradigm shows consistency with accepted models of motivation (Appendix E.5). Another component identified by Hodgkinson in relation to values, motivation and action is the perception of reality. Hodgkinson considered the terminologies of motivation and values almost interchangeable (1982:52) and demonstrated this by comparing models of individual motivation with his model of values as applied to an individual (Appendix E.5).

By analyzing the levels of perceptions of reality, Hodgkinson identified three categories (1983:78): "Reality, like value, is triplex: (1) internal-mental; (2) internal/external-social; (3) external-material. All of these emerge from a ground if consciousness, variable with the individual and all, like the Trinity itself, coexist and, in the last analysis, ineffable." These reality types were then ordered on the basis of Hodgkinson's basic taxonomy (Appendix E.3). He

Value Type	Grounds of Value	Psychological Faculty	Philosophical Orientations	Value Level	
I	PRINCIPLES	conation willing	religion existentialism intuition	I	RIGHT
IIA	CONSEQUENCE (A)	cognition reason	utilitarianism pragmatism humanism democratic liberalism	II	
IIB	CONSENSUS (B)	thinking			
III	PREFERENCE	affect emotion feeling	behaviourism positivism hedonism	III	GOOD

Figure 5.1

Hodgkinson's Value Paradigm
(Reproduced with permission from Dr. Hodgkinson)

noted that politics and mobilizing represent the crucial area of transition between administration and management. Figure 5.2 depicts the reality correlates applied to the basic taxonomy.

On the basis of the predominant value type held by an individual, Hodgkinson devised four leader archetypes: Type III--the careerist, Type IIB--the politician, Type IIA--the technician, and Type I--the poet. A very brief summary of a voluble discussion of each archetype (1983:138-190) is presented in Appendix E.

Hodgkinson's statement (1983:118) that "values translate into behaviours, and behaviours into material consequences in the world of men and things" is depicted graphically in Figure 5.3. Based on the value paradigm and the reality types, the schema (1983:133) is extended from the individual to the organizational context. People in leadership positions, with particular value orientations and perceptions of reality--through their behaviour--impart particular characteristics to the organization.

Hodgkinson compared his typology with three others which had been founded on solid empirical research (see Appendix E.8). He found (1983:194) that:

> Despite an incompleteness of the conceptual map and notwithstanding inevitable frontier disputes, terrae incognitae, and unclaimed territories there is still a broad general agreement about the principal boundaries and a consistency of pattern which suggests that the field of executive action is both comprehensible and structured with an inherent logic.

While most of the policy making models dealt with the human component of organizational processes only in very general terms, Hodgkinson concluded that this component can and should be studied. Although Mintzberg et al. (1976:274) attempted to sidestep the issue by searching for "a helpful typology of the kinds of decisions made in organizations, especially of those decisions that are found between the operating decisions of the bottom of the hierarchy and the strategic decisions of the top," Hodgkinson concluded that such decisions are influenced to a large degree on the leadership types of the chief actors between the administrative and management levels.

Hodgkinson was the first to caution potential users of the model against oversimplification (1983:190):

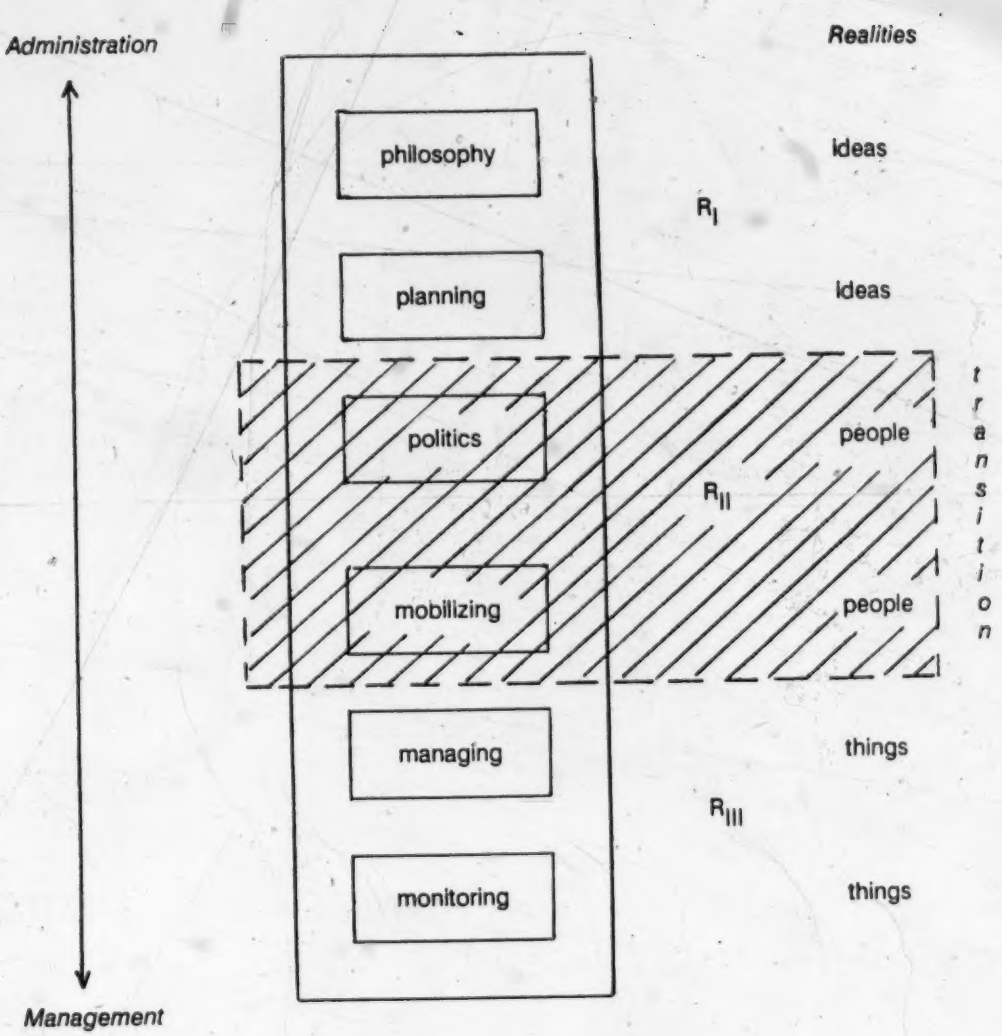


Figure 5.2

Reality Correlates to Hodgkinson's Basic Taxonomy
(Reproduced with permission from Dr. Hodgkinson)

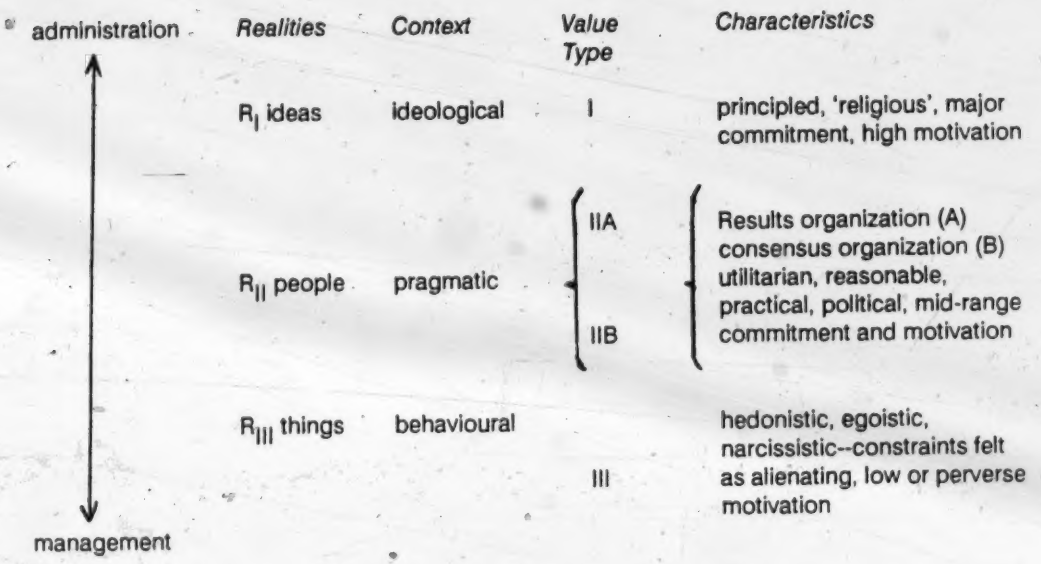


Figure 5.3

Hodgkinson's Value Paradigm and Reality Types in Organizational Contexts

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> Having discriminated at some length these four analytical 'pure types' which theoretically exhaust the value possibilities, it is now necessary to repeat that they are immanent, inchoate, teleological or potential and unlikely to be manifested in any but an impure version in the world of fact. . . . Not all values need be within the scope of everyday consciousness. And others may be sublimated or repressed.

The extreme complexity of human value phenomenology notwithstanding, the model does provide a way of understanding and explaining the behavior and decisions of leaders in organizations. In order to render this model applicable, particular types of data must be collected which are not readily available to researchers in case studies. Specifically, enough observations of the formal and informal behavior of leaders must be collected. Unabridged information about the relationships between leaders and their subordinates and superordinates would be important in the analysis of the leaders' values and motivations.

Although such specialized information was not sought by the researcher in the interviews, a number of interviewees volunteered their own analysis of the processes and events that transpired during MFP development. Samples of the participants' reflections are presented in Appendix F. The information from the participants' reflections, coupled with the information from Chapter 4 was used in an attempt to apply Hodgkinson's model to this study.

Hodgkinson's Model Applied

Since this study had not been conducted with Hodgkinson's model as the intended framework, the data available were not adequate for a proper application of the model. Given these limitations the model was applied only in a general way. The limitations and caveats notwithstanding, the results of this analytical exercise showed that Hodgkinson's model has the potential for yielding useful information about leaders.

Prior to 1982 Alberta Education could have been categorized as a II(A) consequence-type organization. It was characterized by its regulatory orientation and propensity for articulating all types of conditions that might impinge on the regulations. Hence all types of special grants were designed for carefully defined special circumstances such as, for example,

the small school grant, the small jurisdiction grant, and others. Typical of Type II(A) organization, Alberta Education developed its own brand of PPBS, called PAB--Program Accounting and Budgeting.

The organization reflected the motivations of its leaders. They were generally described as technicians, their long association with the field being frequently cited as the reason for their credibility with the stakeholder groups. These technicians formed a cadre of "old boys" who were approaching retirement, more or less "en masse," by the time the new Deputy Minister took up his post. The new Deputy Minister represented a policy approach to administration which differed from the previous regulation based approach. This difference, coupled with the upheaval of reorganization, made it difficult for the "old boys" to transfer their loyalty from the previous Deputy Minister to the new one.

The Deputy Minister came to his position with a vision of reforms for the education system. Components of this vision were operationalized as MFP, the Secondary Education Review, and the new School Act. The Deputy Minister, however, attempted reforms at a more fundamental level--he wanted to change the value system of the participants in the education system, beginning with Alberta Education and moving outward. The intended changes could be described as Type I value changes (outlined, for example, in Partners in Education, 1985). The effort to introduce a Type I value change continued to 1988 when a list of Core Values for Alberta Education was released for discussion at departmental planning sessions.

While the Deputy Minister exhibited a degree of charisma, he could not, however, be characterized primarily as a poet. Certainly he was not able to effect any wholesale conversions among the staff of Alberta Education while the "old boys" were still in place. Part of the explanation for this may be that the personnel and the functions responsible for bridging the spheres of administration and management were never identified. According to his model (Bosetti, 1973, Figure 2.3), he was engaged in processing values, reality, and problems at the social system and input level. In terms of Hodgkinson's model, the Deputy Minister was operating on the level of ideas or R_I, which is usually associated with Type I values (Figure 5.3).

In terms of leadership components, this level is associated with philosophy and planning (Figure 5.2) which are firmly at the administrative end of the administration-management continuum. From the account of the MFP development process in Chapter 4 and from the analysis of themes in Chapter 5, it is evident that problems occurred in the transition components of politics and mobilizing (Figure 5.2). There seemed to be a gap between the administration and management functions (Appendix E.3) at the crucial transition point which Hodgkinson calls R_{II} or people-level reality. The task of bridging between the level of ideas to the level of people, and thereby ensuring that the MFP committees understood the concept, was not successfully performed by the chief actors in the early days of the development process, and this in turn hindered the translation from the R_{II} people-level to the R_{III} level of things. An additional complication, which affected some staff's interpretations of MFP, was the anticipation of promotion possibilities.

During the state of flux, after the first reorganization and during MFP development, a movement of new people into management positions began. This movement was accelerated by the retirement of three Assistant Deputy Ministers and a second reorganization in 1987.

The people newly appointed to various levels of management ostensibly constitute the Deputy Minister's followership. As characterized by the technicians (who actually do perform the technical work in the Department), the new incumbents of the various levels of management positions appear to be primarily careerists and politicians. The policy orientation of the Department is being used by these people either to advance their personal career aspirations or to reach consensus particularly with the stakeholder groups. Ambition has been cited most often by the interviewees as the primary force driving such incumbents.

The interviewees were quick to point out that they were not speaking in absolute terms--there were "old boys" with decidedly careerist motivations, and conversely, not all new incumbents exhibit politician or careerist tendencies, but the overall balance seemed to indicate a shift from the technicians to politicians and careerists. Indeed, many interviewees described a change in the overall organizational picture--from pragmatic to political. Without using

Hodgkinson's terms, they were describing a shift from II(A) Consequence Type to II(B) Consensus Type organization. Since the Deputy Minister's preferences are in the Type I realm, it is unlikely that he would be approving of such a shift. The interviewees who were willing to share their analysis of the organization indicated that there is a common belief in the department that all information coming to the Deputy Minister is consciously filtered on at least two organizational levels.

These are the perceptions of various Department members, reinterpreted using Hodgkinson's model. Since this reinterpretation has been done after data collection, the resultant picture has not been subject to triangulation and therefore remains as speculation and is not incorporated into the conclusions. It does, however, serve as an illustration, albeit a sketchy one, of the applicability of Hodgkinson's model.

Methodological Issues Related to the Use of Hodgkinson's Model

As has been noted in the discussion in the utility of Hodgkinson's model, the major challenge to its use is the difficulty in collecting the type of data needed for the analysis of characteristics of leaders. The challenge is twofold: (1) obtaining informal or personal data, and (2) obtaining consistent classification of the leaders under study.

The researcher would have to be viewed as trustworthy by organization members before any informal data could be obtained. Explicit guarantees of confidentiality would have to be given by the researcher. This, of course, has implications for the publication of such a study.

In terms of classifying the leaders into Hodgkinson's archetypes, it is unlikely that the researcher could perform this function, unless he or she had been part of the organization for some time, although in such a case some ethical issues would be raised. Because the knowing of a person involves an accumulation of minute observations that occur consciously and unconsciously during various encounters over time, organizational members would seem to be the most appropriate candidates for classifying the leaders in the organization. One approach might be to provide selected organization members with an explication of Hodgkinson's model

and subsequently ask them to rate the leaders and the organization according to Hodgkinson's archetypes on an especially designed rating sheet. This sheet might use a Likert scale format where the raters would circle a number corresponding to the archetype of their choice beside each leader's name listed on the sheet. Leaders about whom an appropriate percentage of the raters agreed would then be studied using Hodgkinson's model. Clearly such an approach would necessitate the clarification of, and agreement upon, many ethical issues. It is likely that such a study would not be open for public discussion.

The final issue that needs to be addressed in conjunction with using Hodgkinson's model is the consideration of an overall policy system framework into which this model could be incorporated. Consideration should be given to whether such a framework should include policy making and implementation, whether it should be based on the systems model, and what other components should be considered in addition to those provided by Hodgkinson's model. Various conceptual frameworks for policy analysis have been developed which contain references to chief actors. Simeon (1973:11-12) proposed a framework with five categories: the nature of the issue, its social and institutional context, interests and goals of the actors, political resources, strategies and tactics of the actors, and the outcome or consequences of the issue. Fischer (1980:188-189) developed a similar framework with eight categories: political actors, motivations and goals of actors, beliefs and values of actors, political resources, political decision rules and time, political decision sites, public opinion and political climate, and relevant political culture. Fischer's categories are listed and described in Table 5.5.

The review of the literature revealed a tendency among writers to treat policy making and policy implementation as two completely separate functions--hence the proliferation of models that deal only with one or the other. It appears reasonable to assume that complete understanding of the implementation of a policy cannot be achieved without knowing the reasons and circumstances of its formulation. Consequently a systems based policy model incorporating some of the categories mentioned above, as well as some components of implementation (such as those of Van Horn and Van Meter, for example) might provide a

Table 5.5

Fischer's Categories of Relevant Political Data

1. Political Actors

Political actors may be individuals, pressure groups, elected leaders, administrators of government agencies, political parties, opinion leaders, business leaders, and so on.

2. Motivations and Goals of Actors

Each political actor will possess a number of motives, needs, interests, desires, goals and objectives that shape his or her order of preferences and actions. Even though political actors at times conceal their motives and goals, they serve as a general guide to behavior.

3. Beliefs and Values of Actors

The political actor's beliefs, attitudes, and value systems establish his or her orientation to the empirical world. This frame of reference is a generalized statement of goals, specifying what is desirable and which means to utilize in achieving them. It may involve a disjointed set of beliefs and values, or it may be a well-organized political ideology. The intensity with which a political actor holds a belief or value system will at times be a crucial factor.

4. Political Resources (Power and Influence)

The most significant political actors will possess resources that translate into power and influence in the building of political coalitions and support. Such resources may be material or physical possessions,
money, symbolic statuses, social position, information, skills, and so on.

5. Political Decision Rules and Time

Political decisions will often be guided by specific decision rules, legislative requirements and existing laws, which will tend to channel many of the interactions between political actors.

6. Political Decision Sites

Political decisions will occur at specific decision sites involving different rules, leverages, disadvantages, and the like that will often have an important bearing on the outcomes. Also, the time period or range over which the decisions extend may have an important influence on the political perceptions of the relevant actors.

7. Public Opinion and Political Climate

The general political temper of the times will influence the outcome to a considerable degree. For example, the more intensely dissatisfied large groups and strong actors become with the present situation, the more support may be available for innovative alternatives.

8. Relevant Political Culture

Different decisions will call different political values into question: equality before the law, civil liberties, representative control of institutions, equal opportunity, peaceful orientation toward other nations, fraternity, patriotism, etc.

suitable framework for understanding public policy making, which could employ Hodgkinson's model in a meaningful manner.

Summary

The material in this chapter was organized into two parts. The first part of this chapter was guided by the last research objective, which sought to compare actual data of this case with policy models from the literature. Observations emerging from Chapter 4 were analyzed and four emergent themes were identified: state of the system, performance of policy processes, policy actors, and external environment and stakeholders. Each theme was further divided into two sub-themes. These sub-themes were examined in relation to the policy making models discussed in Chapter 2. The sub-themes of the first theme--state of the system--were generally ignored by the models, while sub-themes dealing with communications, actors and their relationships received considerable attention in the models.

None of the models seemed to have potential for describing or analyzing the behavior and characteristics of actors in any systematic manner. A model of values designed by Hodgkinson was found to be capable of such analysis.

The second part of this chapter dealt with the applicability of Hodgkinson's model. For this purpose, additional data in the form of interviewee reflections were used. It was found that the model would be useful after a number of methodological issues have been addressed. With the issues of methodology resolved, Hodgkinson's model could be incorporated into a useful framework for policy analysis.

Chapter 6

SUMMARY, CONCLUSIONS AND IMPLICATIONS

This chapter opens with a summary of the methodology, data collection, analysis, and findings. The conclusions which follow are centered around responses to the research questions. The response to Question 5 involved a comparison of the findings with the theoretical literature. The conclusions thus derived are then discussed in relation to other policy case studies done in Alberta. The final part of the chapter constitutes a discussion of implications for theory, research, and practice.

Nature of the Study

The parameters for the study were defined by the problem statement: By what processes was the Management and Finance Plan developed from its initial conceptualization to its pre-implementation form? The study was guided by the following research questions:

1. How and why was the Management and Finance Plan conceptualized and considered possible to implement?

2. What were the roles of the chief actors in the policy evolution and formulation processes?

3. To what extent did the context and environment influence the conceptualization and development of the Management and Finance Plan?

4. How did the Management and Finance Plan as conceptualized compare with the Management and Finance Plan as implemented?

5. To what extent are the policy making processes actually experienced in the field described in the literature?

The literature reviewed for this study included 24 policy models. First, 13 models in the category of "normative and political science models applied to policy making" were reviewed. Next, perspectives on government control as an organizing framework for policy models were noted. Finally, 11 models based on systems theory were discussed in some detail because these models generally recognized the significance of the external environment as well as chief actors or leaders.

The study was approached from the interpretive perspective, and the methodology used was the case study. The study covered the period from late November, 1983, to September 1, 1984, which included developments from the earliest conceptualization up to the official implementation date. Sources of information included documents and semi-structured interviews with 13 chief actors who were chosen on the basis of their documented role and confirmation by other interviewees. The collection and analysis of data were performed in accordance with accepted criteria for trustworthiness.

The case study reported on the following phases of MFP development: the conceptualization of MFP as a metapolicy, policy planning and deliberation, resource mobilization, policy structuring, policy feedback and review, and policy implementation planning. The development of MFP is charted in Appendix G. The description and analysis of these phases relates to the first four research questions. The response to the fifth question involved the identification of four emergent themes--each with two sub-themes--which formed a basis for comparison with selected policy models. The four emergent themes were: Theme A.--State of the System--which consists of the sub-themes State of Disequilibrium, and Changes in Organizational Membership. Theme B.--Performance of Policy Processes--is further described by the sub-themes Management of Communications, and Ad Hoc Planning. Theme C--Policy Actors--which is comprised of Characteristics, Motivations, and Leadership Style of Policy Actors, and Relationships Among Policy Actors. Theme D--External Environment and Stakeholders--is characterized more specifically by Delineation Between Internal and External Environment, and Relationships Between Policy Actors and External Stakeholders. The four

contrasted with the policy models selected from the review of the literature, and subsequently, with a number of empirical policy studies done in Alberta.

Findings

The examination of the actual policy making experience as it occurred in Alberta Education was guided by the first four research questions. Discussion of the conclusions from the case study is therefore also centered on these questions. The relationship of the conclusions to the literature, theoretical and empirical, is discussed subsequently, in accordance with the fifth research question.

1. How and why was the Management and Finance Plan conceptualized and considered possible to implement?

The idea of MFP was conceptualized and considered feasible as a result of a confluence of factors. The main factors influencing the conceptualization were the nature of the originators of the concept, the nature of the feedback regarding the grants structure, and the availability of extra funds. The initial architects were comfortable with the policy orientation and with the idea of change, hence they provided the initial commitment to the project. Further, the realization of the concept was made possible because there appeared to be no preference among school boards for the existing funding structure, thereby offering little resistance to change. Finally, the extra funding, which was a critical factor, was made available by Government.

An additional, more subtle factor, was perceived by the initial architects. They believed that the economic downturn caused the public to demand "more value for their dollar." Thus public attitude was complemented by the results-oriented philosophy underlying MFP, thus increasing the likelihood of public support for the project.

2. What were the roles of the chief actors in the policy evolution and formulation processes?

The roster of chief actors changed at various stages of MFP development. In the conceptualization and deliberation stages, the chief actors included the Minister, Deputy

Minister, Senior Financial Officer, and the Assistant Deputy Minister (Finance and Administration). This group was joined by the other Assistant Deputy Ministers in later stages of policy deliberation and planning. During the mobilization of departmental human resources, the Coordinating Committee was established, and its chairman became a new chief actor. As MFP committees became involved in policy structuring, their chairmen also became significant actors. When consultation with school boards began, the large urban boards also became actors though their focus was limited to their practical needs.

The actors' roles changed as MFP development proceeded. The conceptualizers, particularly the Alberta Education Officials, were more directly involved initially but later assumed a monitoring role. This distancing had the effect of hindering communications, particularly since many committee members were not sure what MFP was. The Senior Financial Officer originally headed the project, but was replaced by the chairman of the Coordinating Committee. This had a considerable effect on the direction which the project assumed. The Senior Financial Officer saw MFP as a financially driven megapolicy while the chairman of the Coordinating Committee interpreted MFP as a program oriented metapolicy.

On a smaller scale, the MFP committee chairmen directed the interpretation of MFP as it pertained to their own areas. In some instances, the interpretation seemed to be motivated by self-preserving pragmatism; thus small committees resisted MFP in order to preserve personal authority and influence, or in order to preserve former work roles and task.

Communications became a medium for informal negotiations and co-optations. Those people who appeared to have more information wielded more influence. Membership in key MFP committees became the currency of power. As the development of MFP progressed, it was believed by many committee members that the chairman of the Coordinating Committee had a direct informal communication link with the Deputy Minister. This belief gave the chairman additional authority. The proliferation of unexamined and sometimes inaccurate information was in part responsible for reducing the negative attitude of the Regional Offices to MFP. A belief arose in the Regional Offices that the majority of responsibility and authority for financial

decisions (expenditure officer status) would be transferred from the financial area of the provincial central office to Regional Offices. Eventually this belief proved to be incorrect, but it stimulated positive interest toward MFP in Regional Offices. The large urban school boards influenced the operationalization of certain MFP principles by vocal lobbying, for example in Special Education funding, where a contingency fund was created. Among stakeholder associations, ASBOA provided vocal support and specific advice in the financial aspects of MFP.

3. To what extent did the context and environment influence the conceptualization and development of the Management and Finance Plan?

In the external environment there were two enabling factors. The most obvious was the extra funding allowed by Government, which facilitated the conversion to a new grant structure. The other factor was the attitude of "benign indifference" exhibited generally by stakeholders (with the exception of ASBOA who were supportive). Initially the stakeholders appeared to consider MFP primarily as an internal matter which concerned mostly Alberta Education. Since Alberta Education guaranteed all school boards at least the current level of funding, the new grants structure did not receive a great amount of interest or concern.

What the Deputy Minister identified as a "zone of tolerance" appeared to be established by various stakeholder groups. Since MFP did not seem to endanger the stakeholders' interests, and hence the zone of tolerance, it was not opposed. Potential problems where the boundary of this zone might have been crossed, such as Special Education funding, were resolved by compromise. If MFP was perceived as dangerous to the stakeholders' interests, it is quite possible that considerable opposition would have been mounted as was the case with Bill 59.

Studies of public policy making from time to time give rise to observations about "built-in limitations" or incapacities in democratic institutions to cope with current policy making realities. Part of this built-in limitation might be the vulnerability of the Minister, and therefore the department, to the pressure of lobby groups. It could be argued, for example, that the extent of future forecasting might be limited to the Minister's term in office. Questions about whether

stakeholders' interests are the best guides of public policy might also be raised. Thus lack of serious stakeholder opposition and the initial injection of extra funds were the essential external environment influences. Since the funds came from Government, the actual stakeholder influence on MFP was not large.

Once the project was approved, most of the influence on its development came from the internal environment. There were two main influences internally--chief actors and the state of flux which characterized the department at that time. The roles of chief actors have already been discussed. The outcome was that internal power alliances and struggles among actors determined who would be influential in shaping the metapolicy and the manner in which it would be operationalized. The political strength of various actors also determined how much internal resistance to the policy would be sustained.

The state of flux was a result of a number of events happening in rapid succession. First, a new Deputy Minister was appointed who had a different management style and whose presence disrupted the old system of allegiances and power alignments. Second, the Deputy Minister almost immediately reorganized the department, creating four divisions out of two and disrupting the status quo physically, not just symbolically. Third, a number of new personnel were hired. These events created some anxiety and uncertainty among staff members. The simplification of administrative tasks proposed under MFP caused some staff additional anxiety about job security. The extremely short timelines imposed on this organizational context resulted in ad hoc planning in many areas of the project.

4. How did the Management and Finance Plan as conceptualized compare with the Management and Finance Plan as implemented?

It is difficult to make such a comparison because MFP began in the words of one Assistant Deputy Minister as a "vague concept." Certainly there was no blueprint or master plan, and operational aspects were not initially visualized. The concept was a metapolicy--the operational component of a larger megapolicy. The development of the project began under the guidance of the Senior Financial officer, who perceived it as a megapolicy driven by the

funding structure. When the chairman of the Coordinating Committee took over the leadership of the project, he interpreted it as a metapolicy driven by program evaluation. A number of chairmen and members of the MFP committees had difficulty interpreting the concept at all. Comparisons between the concept and the outcome, therefore, can only be attempted in very general terms.

The concept was envisioned as simpler than the eventual product. Chairmen of some programs resisted following MFP principles, for example School Capital Funding. In other cases, additional components were added such as the Special Education Contingency fund, and in many cases the number of policies was excessive. The drastic downsizing of finance staff anticipated due to the administrative simplification in the finance area did not materialize. While some grants administration tasks were simplified, others became more complex. Some changes cannot be immediately evaluated, such as the monitoring capacity of Regional Offices. In general terms, however, there has been a shift from a regulation based to a policy based management, and there has been a simplification in the claim and payment process. The focus on evaluation has been adopted by school boards in relation to both programs and teachers.

5. To what extent are the policy making processes actually experienced in the field described in the literature?

In order to answer this question, a basis for comparison had to be found between the MFP process and the models from the literature. Four themes emerged from analysis of the data. These themes surfaced persistently in interviews and could be traced in the documents, particularly in the memoranda and records of meetings. The four themes and their components are:

A. State of the system
   1. State of disequilibrium
   2. Changes in organizational membership

B. Performance of policy processes
   1. Management of communications

2. Ad hoc planning

C. Policy actors

1. Characteristics, motivations and leadership style of policy actors

2. Relationships among policy actors

D. External environment and stakeholders

1. Delineation between internal and external environment

2. Relationships between stakeholder representatives and policy actors.

These themes appeared to characterize the MFP development process, and as such were used as a basis for comparison with the models from the literature. Because of the clear external-internal environment delineation apparent in the relationship between the department and stakeholder groups, the systems-based models of policy making were chosen as the most appropriate for comparison. These models were reviewed in Chapter 2, and included, among others, a model by R. A. Bosetti (1973). Since the aspects of the model which corresponded to the MFP development process were adopted from Dror (1968), Bosetti's model was not used in the analysis in Chapter 5 to avoid duplication with the comments on Dror's model.

As the themes were contrasted with the selected models, it became apparent that management of communications and leadership styles of chief actors were considered important enough to be noted by all the models. None, however, offered a comprehensive analytical approach to study these components, which were identified under Themes B and C respectively. The state of the system, as identified in Theme A, did not receive attention in the models surveyed but the assumption of a stable system was evident in most cases. The impact of internal turbulence on the performance of policy actors was not considered. The interaction with the external environment, as noted in Theme D, was reflected in all models. Once again no comprehensive approach to analysis was offered. This is consistent with the approach taken to the chief actor component, since in order to explain the relationships with stakeholders, for example, the chief actors must be understood.

Conclusions

The following conclusions were derived from the findings and their subsequent analysis.

1. The main factors influencing the conceptualization of MFP were: the nature of the originators of the concept, the nature of school board feedback regarding the current grants structure, and the availability of extra funds.

2. The actors' roles changed as MFP development proceeded. The conceptualizers, particularly the senior Alberta Education Officials, were more directly involved initially but later assumed a monitoring role. This distancing complicated communications, particularly since many project committee members did not have a clear idea of what MFP was.

3. Communications became a key process as informal negotiations and co-optations took place among the actors. Those who appeared to have more information or "privileged" information wielded more influence, and membership in key MFP committees became a significant factor in the relationships among the actors.

4. "Zone of tolerance" was a term used by the Deputy Minister to define the threshold of acceptability which appeared to have been established by various stakeholder groups. MFP did not seem to endanger the stakeholders' interests and zone of tolerance because it was initially perceived by them as an internal matter which concerned mostly Alberta Education. MFP therefore did not encounter strong stakeholder opposition such as was unleashed against Bill 59.

5. The lack of serious stakeholder opposition and the initial injection of extra funds from Government were the essential environmental influences in operationalizing the MFP concept.

6. Internally, the main influences on MFP development were the chief actors and the state of flux in the Department. The state of flux was the result of a number of events occurring in rapid succession: appointment of a new Deputy Minister, reorganization of the Department, infusion of new personnel in some Divisions, anxiety about job security, and very short timelines

for MFP development. This turbulence within the organization appears to have affected the performance capacity of staff members in various areas.

7. MFP resulted in a shift from a regulation based to a policy based management, and there has been a simplification in the claim and payment process. The MFP concept, however, was envisioned as simpler than the eventual product. Some actors resisted following MFP principles, while others produced an excessive number of policies. In some specific cases, such as Special Education, additional adjustments were made in response to demands from school boards.

8. The most influential factors that emerged in this study were the characteristics and leadership styles of chief actors, and their relationships with the internal and external environments. Internally, the actors used formal and informal communications to define power relationships, and to direct or influence policy planning and development. In this way they also influenced the performance of the staff, which depended on the directions communicated to them. Internal conditions such as timelines were also determined by the actors. The actors' relationships with the external environment, particularly leaders of the stakeholder groups were also very important. Initially, the "selling" of the MFP concept to representatives of the Cabinet, Alberta Treasury and Auditor General depended heavily on the relationships that the chief actors maintained with these groups. Subsequently, other actors played key roles in "selling" MFP to school boards.

9. None of the policy models surveyed in this study had the capacity to explain the motivations and behaviors of chief actors, though many models acknowledged their importance

Discussion

Since the analysis of the literature did not yield a model with the required capabilities, a number of empirical studies were examined for additional information. The choice of studies hinged on providing a meaningful comparison, therefore, the Alberta based case studies of policy making or implementation reviewed in Chapter 1 were judged to be appropriate. The

observations and conclusions of the empirical studies were examined in order to determine whether similarities with conclusions of this case study exist. Further, the models used or recommended in the studies were examined in order to determine whether any of them would compensate for the deficiencies noted in the policy models used in Chapter 5.

Those conclusions reached in the empirical studies which are relevant to the study are summarized and organized into the following groups: actors, policy environment, political system, conclusions about policy making and implementation. This organization is intended to facilitate the comparison with the conclusions of this study, which focus on the above areas.

Sloan's (1980) analysis focused on the interactions of the key policy participants and the context in which these interactions occurred. Sloan noted that the concept of influence in policy making is difficult to measure. He concluded that influence could best be studied by focusing on key policy makers because their perceptions of influence are extremely important in determining whether or not they will prevail against or succumb to the manifest influence exerted by interest groups. It was also noted by Sloan that since public policy making involves chief actors from the bureaucracy as well as the political arena, pressure groups must work through both the bureaucratic and the political channels in order to be effective. Allan's (1985) study confirmed the suggestion that the behavior of actors involved in the policy making process varied according to their perceptions of the environment. In particular, the reaction of the elected officials to the environment, in this case, determined to a large degree the flow and the direction of the policy making process. The conclusion reached by Allan was that the administration (bureaucracy) had limited control over the policy making process, although it wasn't clear whether this was because of political expediency on the part of the administration or due to their inability to foresee and accommodate the political nature of the process. Long (1979) concluded in his examination of a struggle between partisan actors to resolve a controversial policy question that the relationship between the actors and the environment was a significant factor. The structure and policy of Government, the climate of opinion and ideas and the availability of political resources were noted by Long to be very important factors in the

realization of the actors' interests and goals. It was apparent, however, that the distribution of political resources and the strategic and tactical opportunities these provided to the actors was the most important factor in explaining the outcome of the controversy.

The following conclusions are focused on the role of the policy environment. Alves (1985), using Dror's optimal model, detected weaknesses associated with policy making under constraints of time and political factors. He concluded that policy making becomes problematic when undertaken over a short time span, with the result that political or other considerations may, under such conditions, become more important than the original educational considerations. Allan (1985) also noted that conditions in the internal environment influenced the policy making process. In the case he examined, insufficient effort was expended in the initial stages of planning and the policy problem was never clearly identified. The process of policy making moved from one event to the next based on the pressures of the moment. Allan concluded that the lack of planning resulted in the lack of control over the process. Taylor (1980) concluded that policy making systems are subsystems of an institution's operating environment. As such, they are temporary structures created in response to particular problems in the operating environment. Emphasizing their temporary nature, Taylor described the policy making systems as a network of issues and actors who function in interaction with their environment, progressing in a heuristic manner toward a vaguely defined policy goal. Stringham (1974) similarly observed in his study that because a conceptual base was not formulated to guide the writing of the School Act nor was there any attempt made to develop explicit policy statements, any similarities found between his conceptual framework and the actual process were largely unintentional and probably accidental. Thus, because of inadequate planning and forethought the incremental model had been intuitively followed in this process. In contrast, Seguin's (1977) study provided an example of a positive contribution of policy environment to the policy. Seguin concluded that Government policy makers, who dominated the planning and decision making stages of the process were open-minded and willing to consult. Education professionals who were also members of the major interest groups were

allowed to exercise key leadership roles, and their active role in the forecasting phase also augmented the policy process. B. L. Bosetti (1986) drew similar observations and conclusions in her study. Specifically, the formulation of the Alberta Secondary Education Policy benefitted from a deliberately planned approach to policy formulation involving explicit mechanisms for soliciting input from individuals and stakeholder groups in a controlled manner. She noted that using this consultative approach, Alberta Education was able to assess probable effects of various policy alternatives, determine outside support, and facilitate group input.

A number of studies produced conclusions related to the role of the political system. In his study of policy implementation, Letourneau (1981) concluded that political resources are a critical factor in the success of implementation endeavors. It is therefore important to build a supportive coalition to ensure continuing support for the policy and protection from opposition during the implementation process. An example of coalitions and cooperation among stakeholder groups in a particular political context was provided by Kozakewich (1980) in his study of the relationship between interest groups and a royal commission. The interest groups did not oppose each other's submissions and in some cases even provided assistance to others with preparations of briefs. Having analyzed the political context, neither disagreement nor agreement between the provincial government and the interest groups was allowed to be a factor in the relationship between the groups and the royal commission. The study of Chikombah (1979) was another example of cooperation among competing interest groups when analysis of the political context revealed that a compromise would be the most positive position attainable. Fennell (1985), in studying the process leading to the legislative adoption of the Goals of Basic Education for Alberta, concluded that political influence is attained by alternating between two scenarios depending on the political context. In the first scenario the influence of interest groups is co-opted into a Government structure (such as Alberta Education). In the second scenario all interest groups compete with each other as separate entities to influence Government.

Five researchers expressly commented on the complexity of policy making and implementation. Long (1979) concluded that policy making is not a simple matter of problem solving. Instead, it is a matter of reconciling the demands of several interest groups for several different policy choices which cannot be easily weighed against each other. In contrast, Kunjbehari (1981) concluded that public policy making can be clearly understood using the rational-political model. Kunjbehari claimed that this model was useful in ordering and simplifying political life, identifying the really significant aspects of public policy making, achieving congruence with reality by having real empirical referents, communicating meaningfully, directing inquiry and research, and in suggesting explanations about public policy making. Kunjbehari's enthusiasm about this model is conspicuous by its uniqueness. This researcher was unable to find such testimony applied by any writer to any model in the theoretical or empirical literature surveyed. Three researchers offered conclusions on the subject of policy implementation. Letourneau (1981) stated that implementation is a multifaceted and complex process where a great number of issues are considered simultaneously. The process is not linear but evolves from a center and moves in many directions. Tymko's (1979) conclusion was complementary. He stated that implementation is a complex process, dynamic and cyclical in nature, taking place under circumstances and conditions beyond the implementors' control. Tymko also stated that the concepts of policy and implementation are functionally integral and analytically almost inseparable. This last statement was echoed by Sloan (1980) who concluded that characteristics of the policy making process have a functional or dysfunctional impact on the policy implementation process. Sloan further concluded that the relationship he found between the policy making and policy implementation processes suggests that models of policy making and policy implementation should be combined.

There was agreement among the conclusions reported by the above researchers that each of the models used had some degree of usefulness but that no model could describe policy making or implementation on its own. In summary, the components that were identified

as important to policy making in this study--actors, internal and external environment--were also identified in the above studies under similar categories (influenced by the political systems orientation adopted by the majority of the studies). In a number of studies the significance of chief actors was noted and their relationship to the environment was observed, but no models were found which could explain the roles of chief actors or enhance our understanding of their relationships. These conclusions are in agreement with Theme C--Policy Actors which emerged from this study.

The characteristics of the policy environment (generally equivalent to the internal environment of this study) were noted as having an influence on policy making. Time constraints and the planning capacity of the organization were discussed as influential factors in the policy environment. Good planning not only influenced the quality of the policy directly, but also indirectly by affecting the relationships with the stakeholder groups. These conclusions are consistent with Theme A--State of the System and Theme B--Performance of Policy Processes, both of which deal with the policy environment.

The conclusions of the studies of political systems focused on the formation of coalitions and other strategies to secure political resources. The relationships among stakeholder groups were described in this study by Theme B--External Environment and Stakeholders. There appeared to be a tendency among some researchers to attempt to explain the relationships among competing interest groups by using adaptations of the rational model. The processes observed in this study were generally guided by political rather than rational considerations.

In the last group of studies reviewed, Long, Letourneau, Tymko, and Sloan emphasized the complexity and interrelatedness of policy making and policy implementation. In conclusion, observations and findings similar to those derived from this study were recorded in the 15 Alberta case studies reviewed above. None of these studies, however, offered a model for explaining the roles and actions of chief actors. While no model of chief actors was found in the review of the policy literature done in the above studies and in this study, a potential model was

identified outside of the policy literature. A promising basis for analysis of chief actors noted by the researcher was Hodgkinson's model which relates values and leadership styles. Once the application methodology is established, this model could become the key to understanding leaders and their relationships with the internal and external environments.

Implications

Three implications for research emerged from the analysis of this case study, as well as an implication for theory and for practice.

First, Dror's (1983) notion of built-in inadequacies of political structures might be examined. A study of a number of cases might provide a picture of the extent to which pressure groups modify or interfere with the public policy. A study of lobby-enforced modifications would indicate whether pressure groups have a generally beneficial influence on public policy making, or whether Dror's assessment is correct.

Second, the testing of methodologies for the application of Hodgkinson's (1983) model in empirical research should be continued. Hodgkinson (1988:23) noted that his model "has received some measure of empirical as well as intuitive support." Research questions might focus on confirming whether Hodgkinson's categories are representative of behaviors in organizations. Further, a method of identifying individuals by using the categories might be investigated, which would include a way of detecting individuals' motivations. Related to this is an implication for theory. Once a reliable methodology for the application is designed, a policy model incorporating Hodgkinson's value paradigm with leadership and organizational archetypes, could be constructed. Simeon (1973:11) cautioned that a policy analyst

> . . . faces a difficult dilemma. He wants a neat, simple framework which highlights a few critical factors, but at the same time he does not want to sacrifice the richness and complexity of the data to an arbitrary set of *a priori* categories. The dilemma is more difficult because there is no consensus on what factors are crucial for decision-making. The result is that models have proliferated.

Simeon's (1973:11-12) five categories or Fischer's (1980:188-189) more elaborate eight categories (Table 5.5) might provide the basis for a framework for policy analysis into which

Hodgkinson's model could be suitably inserted. The two sets of categories are mutually supportive in spite of the seven year interval between them. The components of Van Horn and Van Meter's (1977) model (Figure 2.16) are also complementary to the category sets. Thus with some agreement about which factors are important in policy making, and with a model that has the capacity to analyze complex data about leaders and relationships, such a policy framework might solve Simeon's dilemma.

The power associated with the management of formal and informal communications networks is acknowledged in the literature, but the description of such networks generally remains on a superficial level. Part of the problem appears to be that these networks are often covert, and cannot be traced without good knowledge of the chief actors, since the networks are expressions of relationships between actors. The third implication for research is that a study of communication networks might be undertaken as an outgrowth of the application of Hodgkinson's model to the study of chief actors. If the observation that key decisions are made informally is a common phenomenon, then studies relying on policy analysis based on formal channels of communications and authority might be reaching misleading conclusions.

The implication for practice stems from the fact that chief actors have a significant influence on the relationships within the internal and external environments and hence on policy making. It appears that the chief actors' motivations and values play a chief role in the management of relationships in the internal and external environments. A necessary component of training programs for educational leaders therefore must be the examination of personal values and ethics. Hodgkinson's model is an example of such an examination of the relationships between administration and management, values and motivations. The necessity for awareness of value choices, particularly among administrators, was discussed by Hodgkinson (1988:25), who argued that the prevalent value level is Type II:

> The thrust to a rationality of value, to Type II values, is greatly reinforced by the characteristics of contemporary culture. That culture comprises large-scale bureaucracies, increasingly large and complex human organizations, massive government affecting to pursue rational policies, an enormous infrastructure of science and technology . . .

Hodgkinson (1988:26) argued that a stringent self-examination is necessary because the Type II orientation can be so appealing.

> . . . a solid sense of security is provided by the Type IIB impress and the inauthentic false consciousness of being representative of the general will. In the latter case value direction is taken from the external governors--boards, politicians, vocal pressure groups--and value autonomy or responsibility is abdicated.

Since the positivistic and pragmatic orientation appears to be deeply entrenched in large public organizations, it is important to realize that teaching about values and ethics should not be limited to graduate training for administrators. Indeed, the human resource components of such organizations should be responsible for educating the management staff about the subject.

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APPENDICES

APPENDIX A

CHRONOLOGY

CHRONOLOGY

A number of persons are identified by name in the chronological summary contained in this dissertation. The named persons represent some of the chief actors in the MFP development process, as is evidenced by their membership or chairmanship in strategic MFP committees. In order to put the chronological summary into organizational and situational context, strategic committees, the members or chairmen and their organizational positions in 1984, are listed below. Specifically, the list includes the following:

1. Chairmen of MFP Program Committees
2. Co-Chairmen of MFP Functional Areas Committees
3. Membership in the Integrating Group for Functional Area Committees
4. Membership in MFP Communications Plan Committee
5. Membership in MFP Coordinating Committee
6. Membership in Committee for MFP Information Evaluation and Integration (commonly known as "Vetting Committee")
7. List of Education Officials.

Education Officials

Dr. Reno Bosetti	-	Deputy Minister (DM)
Dr. Mel Fenske	-	Assistant Deputy Minister (ADM) Program Development Division
Dr. Steve Odynak	-	Assistant Deputy Minister (ADM) Program Delivery Division
Dr. Bill Duke	-	Assistant Deputy Minister (ADM) Finance and Administration Division
Dr. Jim Hrabi	-	Assistant Deputy Minister (ADM) Planning and Evaluation Division

Program Development Division

Dr. George Bevan	- Director, Curriculum Branch - Chairman, Teacher Inservice MFP Program Committee
Dr. Gene Torgunrud	- Director, Early Childhood Services Branch - Chairman, Early Childhood Services MFP Program Committee
Dr. Heleen McLeod	- Director, Special Educational Services Branch - Chairwoman, Special Education and Gifted MFP Program Committee
Mr. Charles Williams	- Director, Media and Technology Branch - Chairman, Films for Libraries MFP Program Committee - Member, MFP Communications Plan Committee
Mr. A. A. Day	- Associate Director, Industrial Education - Chairman, Vocational Education MFP Program Committee
Dr. Larry Rappel	- Director, Teacher Certification and Development Branch - Member, MFP Coordinating Committee
Dr. David Matheson	- Intern, Program Development Division

Program Delivery Division

Mr. Rene Marrinier	- Associate Director, Program Delivery - Co-Chairman, Claim and Payment Cycle MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee
Mr. Steve Cymbol	- Director, Grande Prairie Regional Office - Co-Chairman, Monitoring, Evaluation, Auditing and Sanctions Committee: Program and Management Systems MFP Functional Area Committees - Member, Integrating Group for Functional Area Committees
Mr. Bill Lockhart	- Director, Alberta School for the Deaf - Co-Chairman, School Jurisdiction Annual Report, MRF, AFS Functional Area MFP Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee

Mr. Marvin Bruce	- Director, Lethbridge Regional Office - Chairman, Impact on Regional Offices MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees
Mr. Clarence Emard	- Director, Red Deer Regional Office - Co-Chairman, Monitoring, Evaluation, Auditing and Sanctions Committee: Program MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees
Mr. Dan Ewasiuk	- Director, Support Programs Branch - Chairman, Extension Program MFP Program Committee - Chairman, EOF (Elementary and Compensatory) MFP Program Committee
Dr. Ed Bardock	- Consultant, Lethbridge Regional Office - Chairman, Transportation MFP Program Committee
Dr. Ken Nixon	- Associate Director, Edmonton Regional Office - Member, Coordinating Committee

Finance and Administration

Dr. Bill Duke	- Assistant Deputy Minister - Co-Chairman, Equity MFP Program Committee - Co-Chairman, Enabling Regulations MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees
Dr. John Myroon	- Director, Financial and Administrative Services Branch - Senior Financial Officer for Alberta Education - Co-Chairman, Equity MFP Program Committee - Co-Chairman of these MFP Functional Area Committees: (1) Claim and Payment Cycle; Monitoring, Evaluation, Auditing and Sanctions; (2) Program Committee and (3) Management Systems Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee
Dr. John Kulba	- Director, School Building Services Branch - Chairman, Debt Retirement/BQRP MFP Program Committee

Dr. Neil Gannon	- Director, School Business Administration Services Branch - Co-Chairman, Monitoring, Evaluation, Auditing and Sanctions: Finance MFP Functional Area Committee
Mr. Walter Turch	- Associate Director, Financial Operations Section - Co-Chairman, Monitoring, Evaluation, Auditing and Sanctions: Finance MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees
Mr. Len Koziol	- Chief Accountant and Financial Analyst, Financial Operations Section - Member, Integrating Group for Functional Area Committees
Mr. Dave Antoniuk	- Budget Coordinator, Financial Planning Section - Member, Vetting Committee
Mr. Gary Baron	- Manager, Grants Administration Unit, Financial Planning Section - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee - Member, Claim and Payment Cycle Functional Area Committee
Mr. Jack Clarke	- Acting Associate Director, Financial Planning Section - Co-Chairman, School Jurisdiction Annual Report, BRF, AFS Functional Area MFP Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee - Member, Claim and Payment Cycle Functional Area Committee
Mr. Tom Milne	- Consultant, Financial and Administrative Services Branch - Chairman, Coalescence MFP Program Committee - Member, MFP Coordinating Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee
Ms. Veronika Bohac	- Administrative Intern, Finance and Administration Division - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee - Member, Claim and Payment Cycle Functional Area Committee - Member, Management Systems Functional Area Committee

Planning and Evaluation Division

Mrs. Lana Black	- Consultant, Policy Services Section - Member, MFP Coordinating Committee - Member, MFP Communications Plan Committee
Mr. Gary Zatko	- Associate Director, Policy Services Section - Chairman, MFP Coordinating Committee - Chairman, MFP Communications Plan Committee - Member, Integrating Group for Functional Area Committees
Mr. Leigh Hill	- Associate Director, Planning Section - Member, Vetting Committee

Departmental Members Outside of Divisional Structure

Mr. Phil Lamoureux	- Coordinator, Secondary School Programs Review - Chairman, Official Languages and Other Second Languages MFP Program Committee
Ms. Joyce Bourgeois	- Director, Communications Branch - Member, MFP Communications Plan Committee
Dr. Brian Fennell	- Associate Director, Legislative Services Branch - Co-Chairman, Enabling Regulations MFP Functional Area Committee - Member, Integrating Group for Functional Area Committees - Member, Vetting Committee

CHRONOLOGICAL SUMMARY

The following is a chronological summary of events prior to and during the development stage of MFP. Brief annotations are used where appropriate.

1981-1984

School Grant Simplification and Deregulation Project
- included Coalescence of Grants study
- final report: May 1984

1982

Reorganization of Alberta Education
- newly appointed Deputy Minister - Dr. Reno Bosetti initiated reorganization in order to improve effectiveness, efficiency and public access.

1982

Program Deregulation (Regulatory Review)
- internal study in response to government's move toward reduction and simplification of regulations

1983

The Minister's Task Force on School Finance
- released for public review September 15, 1983

1983

Delegation of Authority and Responsibility
- review of School Foundation Program Fund Regulations and Alberta Education Grants Order to identify areas where delegation of authority could occur

1983

Grants and Claims Computer Sub-systems
- review to improve the Education Information System initiated in 1977

November 15, 1983

Special Education Alternative Funding Recommendations
- report by Mr. Gerry Ewert for Dr. Mel Fenske

November 30, 1983

Alberta School Trustees' Association Conference in Calgary
- discussion between Dr. Reno Bosetti and trustees about effective allocation and use of "education dollars"

December 5, 1983

"Proposed Decentralized Policy Approach to Block Funding with Emphasis on Post-Audit Monitoring"
- first internal working paper on MFP by Dr. John Myroon based on discussions with Dr. Reno Bosetti subsequent to his return from Calgary
- subsequent revisions: December 14, December 16
- subsequent rewriting by Mr. Gary Zatko

December 5, 1983	**Education Official Meeting** - first discussion of MFP - proposal for new funding structure for Special Education presented by Dr. Mel Fenske
December 10, 1983	**MFP Working Paper Presented to Finance and Priorities Committee of Cabinet** - tentative approval of MFP and reallocation of funds toward new grants structure in the 1984-85 budgetary allocation for Alberta Education - grants structure requested for review by Cabinet
December 12, 1983	**Identification of Administrative Policy Implementation Issues for Proposed "Decentralized Block Funding System with Emphasis on Post-Auditing"** - memorandum from Dr. John Myroon to Dr. Bill Duke
December 12, 1983	**Costing/Funding Methodologies for "Special Needs" Grants as Part of Decentralized Block Funding System** - memorandum and report from Dr. John Myroon to Dr. Bill Duke
December 14, 1983	**Education Officials Meeting** - interim membership of MFP Coordinating Committee was established - Dr. John Myroon was to act as Project Coordinator initially, with Gary Zatko taking over by December 21 - other items for decisions: reallocation of funds, finalizing grants structure for Cabinet, policy approach to block funding
December 20, 1983	**Budget and Grants Meeting** - Dr. Bill Duke and members of Financial and Administrative Services Branch discussed final details of budget, new grants structure, advance notice to school boards, and news release
December 20, 1983	**"Alberta Education Proposed Allocation of Funding and New Budget Structure for the 1984/85 Budget Year as Tentatively Approved by Finance and Priorities Committee of Cabinet on December 10, 1983** - report by Mr. Gary Zatko (revised internal working paper of December 5, 1983)
December 21, 1983	**MFP Committees Membership** - finalized membership of Coordinating Committee - Program Committees: Chairman and members identified - Functional Area Committees: Chairman and members identified
December 21, 1983-January 5, 1984	**Drafting of Grants Schedule and News Release** - internal approval January 5, 1984

December 22, 1983	**Orientation Meeting of Coordinating Committee with Project and Functional Area Committee Chairmen** - introduction to MFP - committee tasks and timelines - briefing for January 10, 1984 departmental meeting
December 23, 1983	**"Department of Education New Funding Structure and Allocation of 2% Increase in Vote 2 to Priority Areas"** - memorandum from Mr. King to Premier Lougheed seeking affirmation of tentative approval
January 4, 1984	**Approval of Tentative Work Plan of Coordinating Committee by Education Officials**
January 6, 1984	**Budget Briefing** - anticipations of reactions discussed
January 9, 1984	**Review and Approval of News Release by Premier's Office and Provincial Treasurer**
January 9, 1984	**Final Review of MFP Briefing Package** - to be used for departmental meeting and for stakeholder groups
January 10, 1984	**Departmental Meeting at the School for the Deaf** - MFP orientation for the most closely involved staff (about 100 people)
January 11, 1984	**Alberta Education Management Meetings with Stakeholders to Inform About MFP** - 8:00 am to 6:30 pm management travelled to all 5 zones and met with ATA and ASTA
January 12, 1984	**News Release and Press Conference** - 7:30 am debriefing in Minister's office - 9:00 am news release
January 13, 1984	**Coordinating Committee's Progress Report** - first of a series submitted to Education Officials - others: January 30, March 5, March 19, March 29
January 15, 1984	**Budget Implementation** - initial phase of budget cycle implemented for selected provincial programs
January 19, 1984	**Integrating Meeting of Committee Chairmen** - informal group initiated by Dr. John Myroon to integrate the work of Functional Area committees and preclude different perceptions of their mandate

January 19, 1984

Meeting with Grande Prairie City School District #2357
- Dr. John Myroon and others responded to request for help with building budget
- field testing of financial aspects of MFP was proposed and discussed

January 20, 1984

MFP Linkage Meeting of Chairmen
- progress report from coordinating committee and all project committees
- issues and questions about development and implementation of MFP
- subsequent meetings: February 9, February 23, March 2, March 27

January 24-27, 1984

Review of Program Committee Reports
- first drafts of policies, guidelines and procedures for review by Coordinating Committee

February 6, 1984

Provincial Evaluation Policies Review
- revised version distributed to Education Officials for comment

February 9, 1984

MFP Chairmen Linkage Meeting
- discussion of Program Committee reports
- Regional Office considerations
- Provincial Evaluation Policies
- Report from Informal Functional Committee Integrating Group

February 9, 1984

Coordinating Committee Meeting with Program Committee Reports
- discussion about suggested format and revisions to earlier drafts of policies

February 13-22, 1984

Review of Program Committee Submissions with Education Officials
- Coordinating Committee made revisions as directed

February 14, 1984

Meeting of Informal Functional Committee Integrating Group
- discussed need for information coordinating group
- discussed strategy and mechanism for MFP implementation

February 15, 1984

Due Date for Second Submission from Program Committees

February 16-17, 1984

Edmonton Regional Office Information Session
- Coordinating Committee and Regional Office directors met with school jurisdiction representatives

February 23, 1984	**MFP Chairman Linkage Meeting** - Coordinating Committee reported on February 13-23 discussions with Education Officials
February 24, 1984	**Due Date for Functional Area Committee Reports**
February 24- March 24, 1984	**Coordinating Committee Tabled Second Draft of Program Policy Manual with Education Officials**
March 1, 1984	**Reorganization of MFP Committees** - the 19 committees were reduced to 11
March 1, 1984	**School Act Review** - initial discussion paper released
March 1-June 30, 1984	**Secondary Education Review** - feedback solicited from stakeholder groups and individual school jurisdictions
March 1, 1984	**MFP Internal In-Service Requests** - Personnel Branch designated to reach to inservice requirements submitted by Program and Functional Area Committees
March 8, 1984	**External Validating Group Established** - group included 3 members from school jurisdictions - to provide feedback on MFP material developed to date - meetings with committee chairmen: March 12-17 - first report: March 20 - final report: April 16
March 9, 1984	**Committee for MFP Information Evaluation and Integration** - also referred to as Vetting Committee - founding meeting at the initiative of Dr. John Myroon and Mr. Bill Lockhart - met with all Program Committee Chairmen beginning March 19, 1984 - first report released March 30, 1984
March 9, 1984	**Provincial Evaluation Policies** - submitted to Minister for approval
March 15, 1984	**Provincial Budget Address**
March 15, 1984	**Regional Office Presentation** - Coordinating Committee discussed MFP implementation at Edmonton ROE
March 16, 1984	**Policy Manual** - third draft released for discussion

March 19, 1984	**Independent Review of MFP** - Price Waterhouse consulting firm engaged - report: April 3, 1984
March 22, 1984	**Regional Office Presentation** - Coordinating Committee in Lethbridge
March 27, 1984	**MFP Definitions of Selected Terms** - released to Education Officials and MFP Committee chairmen
March 30, 1984	**Linkage with Education Stakeholders** - established linkage with ATA, ASTA and others to negotiate their involvement in MFP implementation
March 30, 1984	**Regional Office Implementation Plan** - Regional Offices submitted first draft of regional implementation plan
April 2, 1984	**Regional Office Presentation** - Coordinating Committee in Grande Prairie
April 4, 1984	**Regional Office Workshop** - inservice for MFP implementation - representatives from all five Regional Offices and other departmental staff
April 23, 1984	**MFP Public Information Package** - first draft submitted to Education Officials and Regional Directors for review
April 23-May 11, 1984	**Regional Office Staff Workshops** - series of workshops about new program policies, guidelines and procedures
May 22-June 30, 1984	**Public Workshops** - organized by Regional Office Directors for school jurisdictions - focus on MFP implementation
June 4-8, 1984	**Pilot Testing** - 8 jurisdictions selected by CASS and ASBOA - focus claim and payment forms, and other financial aspects of MFP - report: June 20 - subsequent meetings with pilots to discuss findings
June 30, 1984	**Revised Public Information Package Released**
June 30, 1984	**New Grant Forms Implemented** - sent out by Regional Offices to school jurisdictions

July 15-August 15, 1984	**Final Operational Plan Developed** - action plan for implementation
July-October, 1984	**Secondary Education Review** - policy development
September 1, 1984	**Official Implementation Date for MFP** - commencement of local development of policies, guidelines and procedures in each school jurisdiction
September 1-30, 1984	**New Grant and Payment Cycle Begins** - school jurisdictions submit first grant application and payment forms under MFP

APPENDIX B

MEMORANDA, MINUTES AND REPORTS

MEMORANDA

Proposed 1984-88 Capital Plan: Transportation Component — December 8, 1983
John Kulba to Bill Duke

Identification of Administrative Policy Implementation Issues for Proposed "Decentralized Block Funding System with Emphasis on Post-Auditing" — December 12, 1983
John Myroon to: Duke, Clarke, Baron, Antoniuk, Walters, Milne and Turch

Costing/Funding Methodologies for "Special Need Grants as Part of Decentralized Block Funding System (memo and report) — December 12, 1983
John Myroon to: Duke, Clarke, Baron, Antoniuk, Walters and Milne

Summary of December 10, 1983, Priorities Committee Decisions Pertaining to the Department of Education - 1984/85 Budget — December 12, 1983
John Myroon to Bill Duke

Identification of all Administrative Implementation Issues/Considerations Pertaining to "Decentralized Block Funding System With Emphasis on Post-Auditing" — December 14, 1983
Gary Baron to Tom Milne

Request for Nominees for Membership on Implementation Teams — December 14, 1983
Education Officials to Mel Fenske

Program Development Division Representatives to Implementation Teams — December 16, 1983
Mel Fenske to Bill Duke

Review of "Alberta Education Proposed Allocation of Funding and New Budget Structure for 1984-85 Budget Year" - paper — December 21, 1983
John Myroon to Jim Hrabi

Treasury's Review of December 10, 1983, Priorities Committee Decisions — December 21, 1983
John Myroon to Bill Duke

1984-85 Estimates of approval Amounts and Cost Amounts for School Building Capital Plan — December 23, 1983
Dave King to Lou Hyndman (Provincial Treasurer)

Transmittal of Restructured Funding Plan and December 10, 1983, Priorities Committee Decisions Regarding Vote 2 Reno Bosetti to Dave King	December 23, 1983
Department of Education New Funding Structure and Allocation of 2% Increase in Vote 2 to Priority Areas Dave King to Peter Lougheed	December 23, 1983
Alberta Education Management and Finance Management Plan (MFP) Meeting Gary Zatko to Project Chair Persons	January 4, 1984
Functional Area Project Committees - Annual Report and Information Requirements John Myroon to Bill Duke, Gary Zatko	January 17, 1984
January 19, 1984, Integrating Meeting of Chairmen John Myroon to Committee Chairmen	January 17, 1984
Status Report on Major Activities Reno Bosetti to Dave King	January 18, 1984
MFP Chair Meeting John Myroon to Gary Zatko	January 20, 1984
Committee Feedback John Myroon to Gary Zatko	January 20, 1984
Grande Prairie City School District #2357 Meeting of January 19, 1984 John Myroon to Bill Duke	January 24, 1984
Claim and Payment and Management Systems Functional Committees Membership Update John Myroon to Gary Zatko	January 25, 1984
New Finance Plan - Special Edition Mel Fenske to Reno Bosetti	February 1, 1984
Claim and Payment Committee Membership Gary Zatko to John Myroon	February 1, 1984
Management and Finance Plan Gary Zatko to MFP Chairperson, Education Officials	February 2, 1984
MFP Committee Chairpersons Meeting, February 9, 1984, 1:30 p.m. Gary Zatko to Committee Chairs	February 6, 1984
Annual Report Committee Progress Report Bill Lockhart to MFP Annual Report Committee members	February 6, 1984

Progress Report and Identification of Issues by Informal Functional Committees Integrating Group for Committee Chairmen Meeting of February 9, 1984
John Myroon to Gary Zatko — February 9, 1984

Review of MFP Coordinating Committee Report on Definitions by management Systems Functional Committee
John Myroon, Steve Cymbol to Gary Zatko — February 9, 1984

Review of MFP Coordinating Committee Report on Definitions by CPC Functional Committee
John Myroon, Rene Marrinier to Gary Zatko — February 9, 1984

Progress Report of CPC Functional Committee for February 9, 1984, Meeting of Committee Chairmen
John Myroon, Rene Marrinier to Gary Zatko — February 9, 1984

Progress Report of Management Systems Functional Committee for February 9, 1984, Meeting of Committee Chairmen
John Myroon, Steve Cymbol to Gary Zatko — February 9, 1984

Identification of Some Common Issues for Functional Integrating Group meeting of February 14, 1984
John Myroon to Functional Integrating Group — February 14, 1984

Status Report
Gary Zatko to: Chairpersons of Program and Functional Area Committees — February 16, 1984

Generalized Comments, Observations and Suggestions Regarding MFP
John Myroon to Bill Duke — February 20, 1984

Comments on Calendar vs Fiscal Year - R. Vivone's Request of February 16, 1984
John Myroon to Kelvin Hussey — February 20, 1984

Management and Finance Plan
Arthur J. K. Wingate, Assistant Auditor General to Reno Bosetti — February 23, 1984

Impact of MFP
Gary Zatko to Education Officials — February 27, 1984

February 23, 1984, MFP Timelines
John Myroon to Gary Zatko — February 28, 1984

Additional Observations to February 23, 1984, MFP Coordinating Committee: Policy Manual — February 29, 1984

Summary Comments
John Myroon to Bill Duke

Special Education Grants March 9, 1984
Mel Fenske to John Myroon

Action Plan for ROE's for MFP Implementation March 19, 1984
Gary Zatko to ROE Directors

Price Waterhouse Report on MFP April 9, 1984
John Myroon to Bill Duke

Reaction to MFP Implementation Strategy July 16, 1984
John Myroon to Bill Duke

MINUTES OF MEETINGS

Education Officials	December 5, 1983
Education Officials	December 14, 1983
Budget Meeting: Bill Duke and FASB	December 20, 1983
Education Officials	December 22, 1983
MFP Briefing Materials for the December 22, 1983 Meeting of FASB - Recommended FAD Teams	December 22, 1983
Coordinating Committee	December 29, 1983
Schedule of Events Leading to the 1984 News Release on grants (Schedule of meetings with stakeholders in the 5 zones)	January 2, 1984
Stakeholders meeting	January 11, 1984
Education Officials	January 16, 1984
Education Officials	January 24, 1984
MFP Functional Committee Integrating Group	January 31, 1984
Education Officials	February 6, 1984
Education Officials	February 14, 1984
Public Workshop, Zones II and III	February 16, 17,1984
Education Officials	February 29, 1984
Education Officials	March 12, 1984
Committee for MFP Information Evaluation and Integration (Vetting Committee)	March 9, 1984
Education Officials	March 19, 1984
Education Officials	April 16, 1984
Education Officials	April 30, 1984
Education Officials	May 7, 1984
Red Deer ROE MFP Implementation Seminar	June 12, 1984
Education Officials	July 16, 1984

Education Officials	July 23, 1984
Education Officials	July 30, 1984
Education Officials	August 13, 1984
Education Officials	August 20, 1984

*Informal minutes, personal notes, drafts and progress reports from the ongoing work of the following committees:

- Claim and Payment Cycle Functional Area
- Management Systems Functional Area
- 'Vetting' Committee
- Pilot Testing of Financial Changes
- Informal Integrating Group
- Meetings with Representatives from the Treasury and Auditor General's department

REPORTS

Special Education Alternative Funding Recommendations (Gary Ewert)	November 25, 1983
Proposed Decentralized Policy Approach to Block Funding with Emphasis on Post-Audit Monitoring (John Myroon)	December 5, 1983 Revisions: Dec. 12, 14 and 16
The Management of Education Internal Working Paper - Draft (John Myroon)	December 16, 1983
Alberta Education Proposed Allocation of Funding and New Budget Structure for the 1984/85 Budget Year as Tentatively Approved by the Finance and Priorities Committee of Cabinet on December 10, 1983 (Gary Zatko) Distribution: Hrabi	December 20, 1983
Decentralization Policy Approach to Block Funding with Emphasis on Post-Audit Monitoring (Revised for the task of selecting implementation teams) (John Myroon)	December 22, 1983
1984 Basic Education Grants News Release - Draft (Joyce Bourgeois - submitted for comment to John Myroon and Bill Duke)	December 21, 1983 to January 5, 1984-Revisions
Draft of Grants Announcement and covering letter (John Myroon)	December 22, 1983 and January 2, 1984
Revised Committee Structure (John Myroon)	January 2, 1984
Alberta Education Management and Finance Plan (Information package for departmental meeting at the Alberta School for the Deaf)	January 10, 1984
Alberta Education Policy Handbook - Table of Contents - First Draft - Coordinating Committee	February 6, 1984
MFP Status Report (Prepared for Education Officials) (Gary Zatko)	February 15, 1984
Revised MFP Committee Structure and Membership (Gary Zatko)	March 1, 1984
ECS and Gifted Project Committee - March 2 Submission	March 7, 1984

Current and Proposed Funding Mechanisms for Program Areas Included in MFP - Vetting Committee	March 13, 1984
Summary Comments - Feedback on MFP Programs by Validating Group (Compiled by Coordinating Committee)	March 20, 1984
Issues Paper (MFP Information and Vetting Committee)	March 30, 1984
Alberta Education: An Independent Review of the Management and Finance Plan (Price Waterhouse and Associates)	April 2, 1984
Regional Office Impact Committee Final Report (Marvin Bruce, Chairman)	April 13, 1984
Pilot Testing - Final Report	June 20, 1984
A Perspective on the Need for Information: Alberta Education and the MFP - A Draft Progress Report (Planning, Budgeting, Forecasting Sub-committee; Leigh Hill)	July 18, 1984
MFP: Phase Two - Project Organization (Gary Zatko)	September 12, 1984

APPENDIX C

INFORMED CONSENT FORM AND RELATED CORRESPONDENCE

Alberta
EDUCATION

Office of the Deputy Minister

10th Floor, Devonian Building, 11160 Jasper Avenue, Edmonton, Alberta, Canada T5K 0L2 403/427-2889

September 26, 1986

Ms. Veronika Bohac
Department of Educational Administration
Faculty of Education
7-104 Education Building North
Univeristy of Alberta
EDMONTON, Alberta
T6G 2G5

Dear Ms. Bohac:

Thank you for your letter of September 16, 1986 regarding the field component of your doctoral study.

I have examined the study with interest and extend to you permission to proceed with your study as outlined in your proposal.

I wish you success in your continuing studies.

Sincerely,

Reno A. Bosetti
Deputy Minister

ATTENTION:

RE: INTERVIEW AS DATA SOURCE FOR DOCTORAL DISSERTATION ON THE DEVELOPMENT OF MFP

Before enrolling in the doctoral program at the University of Alberta, I worked in Alberta Education as an intern to Dr. Bill Duke. During my tenure as intern, MFP was introduced and I had the opportunity to be involved in the developmental stages. As a result, I decided to focus my dissertation on MFP.

The central question of my dissertation is: **By what process did the Management and Finance Plan develop as a megapolicy from its conceptualization up to the point of implementation?**

The information for my study will come primarily from two sources - document analysis and interviews with chief actors.

In the interview, I would like to explore the following aspects of MFP development:

1. Parameters - who were the chief actors
   - what was MFP understood to be at tha time
2. The reaction of participants and stakeholders to the introduction of MFP.
3. The evolution of MFP from the beginning up to September, 1984.
4. Factors which influenced the development of MFP.
5. Major improvements under MFP.

I would like to interview you as one of the chief actors, for the purpose of obtaining data for my study.

Thank you.

Veronika Bohac

FACULTY OF EDUCATION
DEPARTMENT OF EDUCATIONAL ADMINISTRATION

THE UNIVERSITY OF ALBERTA
EDMONTON, CANADA
T6G 2G5

INFORMED CONSENT

The study entitled Management and Finance Plan: A Case Study of Public Policy Development in Alberta Education is conducted in accordance with the University Guidelines on Ethics in Human Research and with the approval of the Department of Educational Administration Research Ethics Review Committee. The participants in this study will be interviewed under the following conditions:

1. The potential participants are under no obligation to be interviewed and their consent must be voluntary.

2. If requested, names and identifying characteristics of interviewees will be withheld, thereby guaranteeing anonymity.

3. The interviewee has the right to inspect all quotes attributed to him/her prior to the finalization of this study.

4. The interviewee will be consulted on his/her preferences regarding the method of recording the interview (e.g., tape recorder, notes only, etc.).

5. The interviewee will be fully informed about the nature of the study.

If you agree to an interview under the above conditions, please sign below.

_____

APPENDIX D

INTERVIEW QUESTIONS

INTERVIEW QUESTIONS

1. What were the time parameters, from the inception of the idea up to the point of implementation?
2. Who were the chief actors?
3. Whom did you advise?
4. Who counselled you?
5. What was your role in MFP development?
6. Did you have a clear idea of what the end product was supposed to be?
7. Did anyone?
8. Did the outcome resemble the original plan?
9. Who supported MFP?
10. Who opposed MFP?
11. How did the idea of MFP originate?
12. Were there some events which triggered the introduction of MFP?
13. What factors affected its development?
14. If you had to do it again, what would you do differently?

APPENDIX E

HODGKINSON'S MODEL OF VALUES

HODGKINSON'S MODEL OF VALUES

Hodgkinson (1983:22) proceeded from the examination of nomothetic and idiographic dimensions of organizational life (Figure E.1), which show the differences in interests held by administrators and organizational members. Developing this idea further Hodgkinson concluded that administrators and organizational members hold different value orientations. Figure 5.2 shows the various levels of value orientation associated with the organization.. The definitions of the components of Figure E.2 (1983:23-25) are summarized below:

V_5: Prevailing ethos: culture of the external environment, e.g., subsidiaries of the same firm in California or New York would be different as a result of their environments.

V_4: Subculture: local mores and norms, geography and history (socio-cultural + location) influence the consciousness in the workplace, e.g., the counter-culture of the late sixties exerted significant influences on the ethos in certain areas.

V_3: The organizational level: the level at which the administrator operates, to link his organization with its goals.

V_2: The group: mores and norms imposed within the organization, which modulate the consciousness of the individuals.

V_1: The individual: perceptions of the organization, and individual needs, informed by the individual's encounters with groups.

Hodgkinson (1983:24) concluded that: "Any synthetic view of administrative reality must therefore take into account the modulating or filtering effects of subculture and group (V_4, V_2) upon the major influences of culture and individual psychology (V_5, V_1)."

From this general framework of value orientations Hodgkinson focused on the relationship between V_3, V_2 and V_1. Hodgkinson defined two distinct processes operating between the three levels. These two processes, administration and management, are shown in Figure E.3. Subsumed under administration is philosophy and planning--level of ideas and politics--level of people. Management operates generally at the level of things--managing.

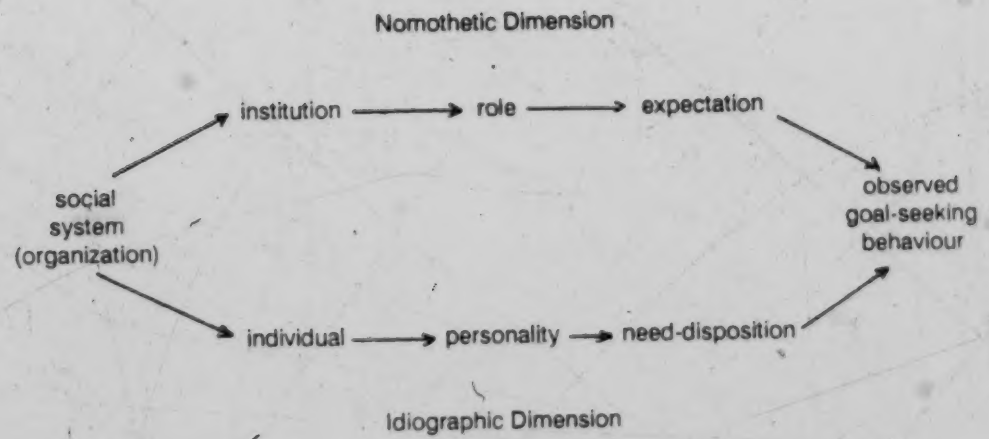


Figure E.1

Hodgkinson's Examination of Two Dimensions of Organizational Life
(Reproduced with permission from Dr. Hodgkinson)

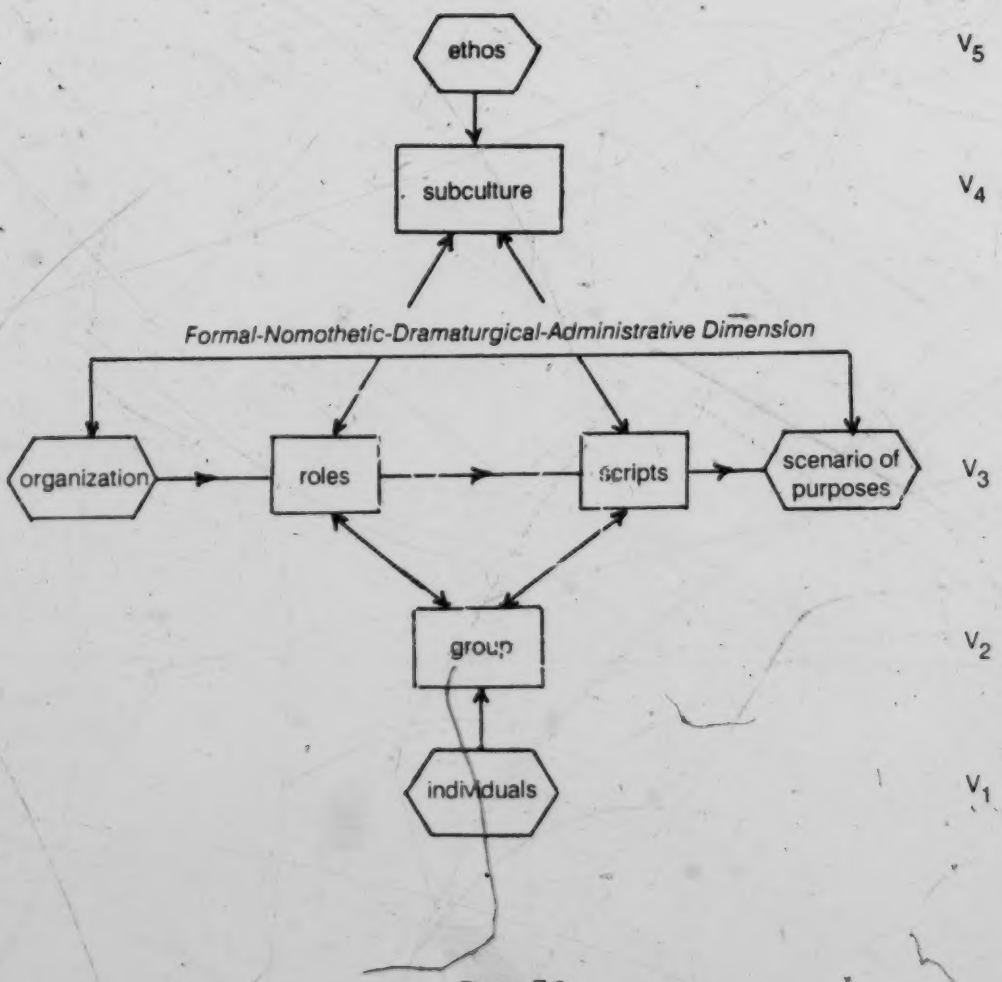


Figure E.2

Hodgkinson's Analysis of Organizational Field of Action
(Reproduced with permission from Dr. Hodgkinson)

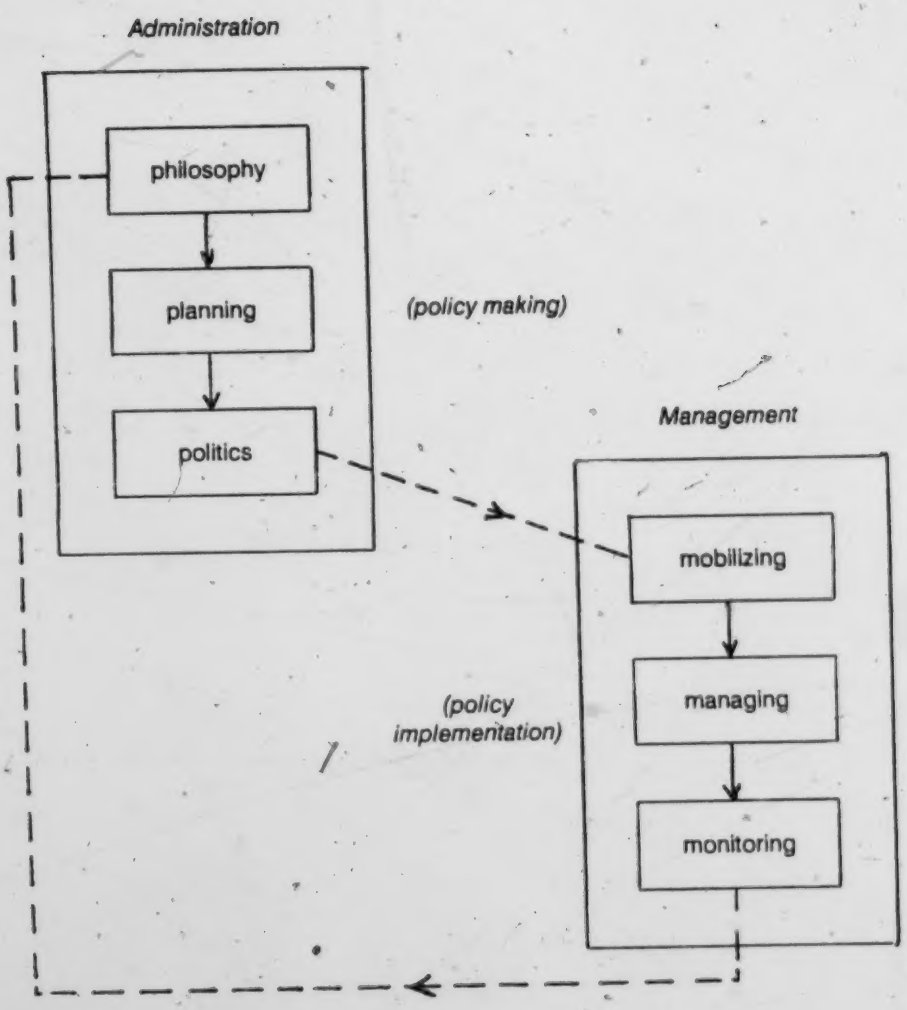


Figure E.3

Hodgkinson's Basic Taxonomy: Administration and Management
(Reproduced with permission from Dr. Hodgkinson)

and monitoring resources and outputs, but mobilizing is at the level of people.

The above processes involve conscious and unconscious "value processing"--to borrow Dror's term. In Hodgkinson's (1983:36-37) definition: "Values are subjective because they are concepts. And they have to do with the phenomenology of desire. . . . values are concepts of the desirable with motivating force . . . which tend to act as motivating determinants of behaviour."

The observation that values motivate behaviour is an important step toward analyzing the behavior of chief actors in organizations. This observation led Hodgkinson to develop his value paradigm (Figure E.4) which formed the basis for the analysis of behavior. Hodgkinson's explanation of the paradigm was as follows (1983:37-38):

> This paradigmatic typology of value emerges because, so far as I have been able to determine, four and only four kinds of answer can be given to the question, why is an object or action or event deemed to be *good* or *right*? The four grounds or justifications for valuing are principles (Type I), consequences (Type IIA), consensus (Type IIB), and preference (Type III).

Hodgkinson considered the terminologies of motivation and values almost interchangeable (1983:52) and he demonstrated this by comparing models of individual motivation with his model of values as applied to an individual (Figure E.5).

Hodgkinson further analyzed the perceptions of reality and categorized them into three levels (1983:78): "Reality, like value, is triplex: (1) internal-mental; (2) internal/external-social; (3) external-material. All of these emerge from a ground of consciousness, variable with the individual and all, like the Trinity itself, coexist and, in the last analysis, ineffable."

Hodgkinson ordered these reality types on the basis of his basic taxonomy (Figure E.3). He noted that politics and mobilizing represent the crucial area of transition between administration and management. Figure E.6 depicts the reality correlates to the basic taxonomy.

Hodgkinson's statement (1983:118) that "values translate into behaviours, and behaviours into material consequences in the world of men and things" is depicted graphically in Figure E.7. Based on the value paradigm and the reality types, the schema (1983:133) is

Value Type	Grounds of Value	Psychological Faculty	Philosophical Orientations	Value Level
I	PRINCIPLES	conation willing	religion existentialism intuition	I
IIA	CONSEQUENCE (A)	cognition reason	utilitarianism pragmatism humanism democratic liberalism	II
IIB	CONSENSUS (B)	thinking		
III	PREFERENCE	affect emotion feeling	behaviourism positivism hedonism	III

RIGHT

GOOD

Figure E.4

Hodgkinson's Value Paradigm
(Reproduced with permission from Dr. Hodgkinson)

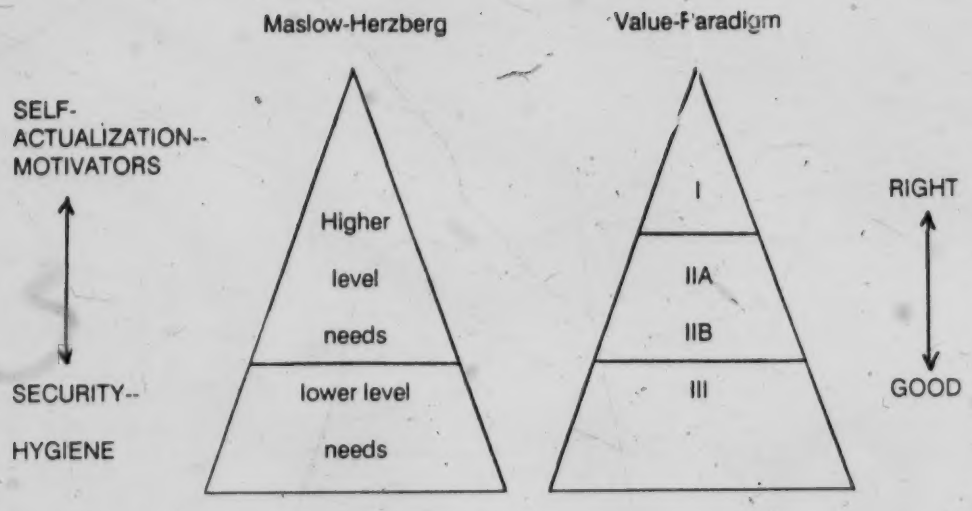


Figure E.5

Hodgkinson's Comparison of Motivation and Value Models
(Reproduced with permission from Dr. Hodgkinson)

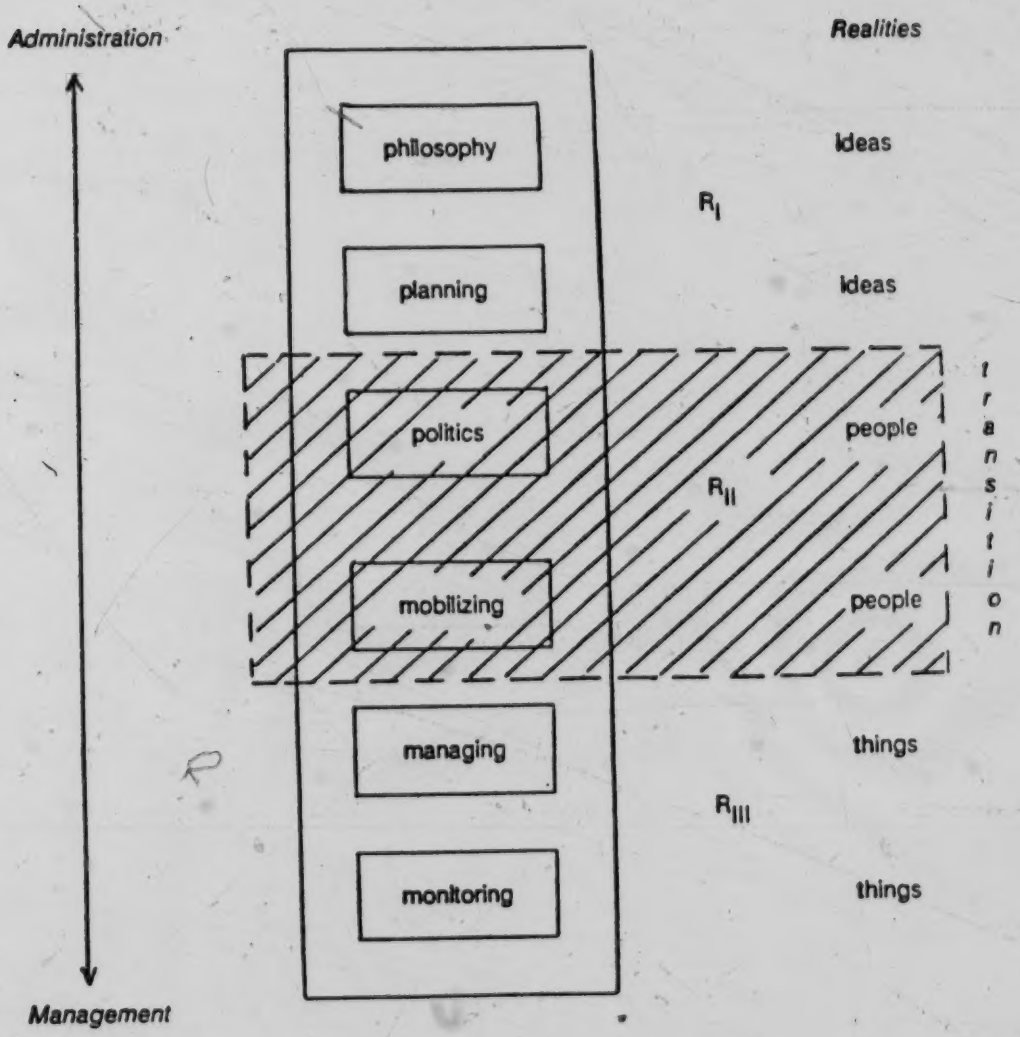


Figure E.6

Reality Correlates to Hodgkinson's Basic Taxonomy
(Reproduced with permission from Dr. Hodgkinson)

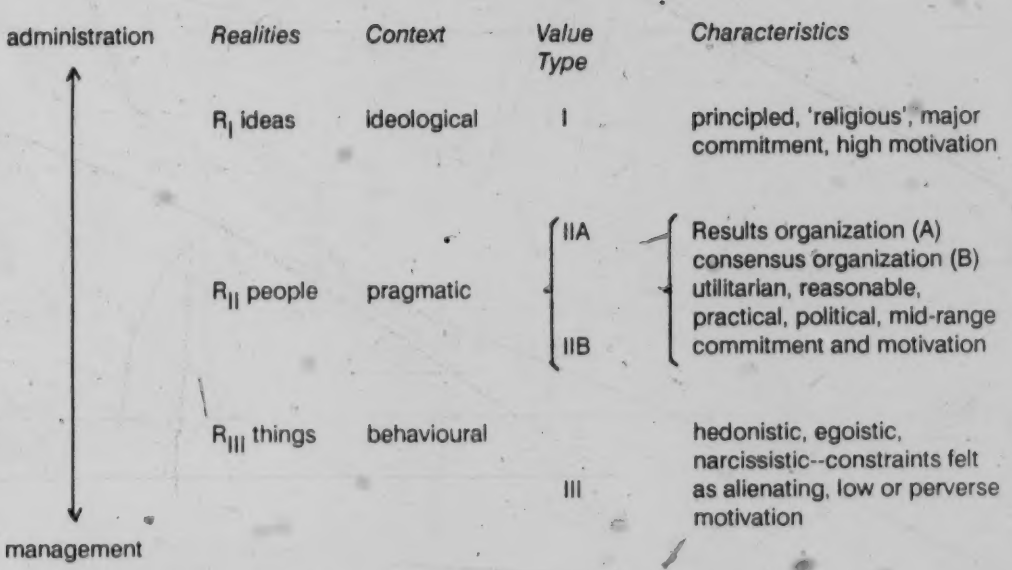


Figure E.7

Hodgkinson's Value Paradigm and Reality Types in Organizational Contexts
(Reproduced with permission from Dr. Hodgkinson)

extended from the individual to the organizational context. People with particular value orientations and perceptions of reality--through their behaviour--impart particular characteristics to the organization.

Starting from the assumption that the behavior of people affects the organization, Hodgkinson identified leadership patterns which comprised four leadership archetypes based on the value paradigm. A very brief summary of a voluble discussion of each archetype (1983:138-190) is presented below:

(III) The Careerist: Characterized by Type III values of the ego, of self-interest, of primary affect and motivation. Self-preservation and enhancement, self-centredness and self-concern, are the dominant value traits. The motivation is hedonic: avoid pain--seek pleasure. In his pure form, the careerist seeks success and personal gratification. He will constantly search and test the limits presented by circumstance, by practising opportunism uninhibited by any absolute morality but using any available morality to his own inventive purposes and ends. The careerist can easily endear himself to the non-administrative ranks of his organization, he is easily perceived as a good leader.

Careerists avoid advertising themselves as such. Modern organizations provide adequate protective cover for their type of predatory inclination.

(IIB) The Politician: Between the careerist and politician a quantum value shift has occurred. The politician archetype is associated with the administrator whose interests have extended beyond those of self and the natural extensions of self to embrace the interests of a group, usually the organization for which he is responsible. The politician thus refers to a value complex which takes into its account the values of others, severally and jointly--he seeks the welfare and the will of the group. This may lead to a preoccupation with group harmony and, hence, with the continuous maintenance of and search for consensus. Conflict is resolved by compromise, trading of values and the reconciliation of interests. To identify group consensus, to identify with it and at times to negotiate it requires the full range of political skills. The politician sees himself as the exponent of the moral collectivity of the group.

One problem with this archetype is that moral-ethical corruption can easily occur. The line between seeking and manipulating consensus is often difficult to draw. In addition, groups are often notoriously wrong and notoriously oppressive. A further weakness of the politician archetype is the short-term orientation. Group membership fluctuates and group values form short-lasting consensus. In spite of these drawbacks, the politician provides the form of leadership which, by and large, is most congenial to followers, because of man's social nature, and the general democratic intent of this leadership style.

(IIA) The Technician: Although both archetypes in the second level of the value paradigm (IIA--politician; IIB--technician) can be classified as rational, humanistic and pragmatic, it is possible to discriminate between them. The politician grounds his value logic in the politics of consensus while the technician bases his on the rational analysis of the consequences of value judgments in action. The technician is pre-eminently rational-cognitive and rational-legal. The values of the technician are values of the intellect and of logic. They include dispassion, impartiality, logical analysis and problem solving, efficiency, effectiveness, goal accomplishment, planning, and the utilitarian maximization of the good. Thus the technician corresponds to the Weberian bureaucrat (without the negative connotations attached to the modern sense of the word). Technicians have a preference for the quantitative and the conceptual over the qualitative and factual, the nomothetic over the idiographic. A typical product of this value orientation is PPBS (Planning, Programming, Budget Systems).

All archetypes subsume their lower ranks so the technician transcends and subsumes the values of careerist and politician. The moral commitment of the technician extends beyond organizational directives to larger fields of interest and to the value clarification of such larger interests. This archetype is elitist, reflecting the concept that administration, government and leadership are the more desirable the more they manifest rule by the best (rather than rule by the most, or rule by the powerful). The technician acknowledges the realities of power and politics, but he has faith in the ultimate merits of expertise and professionalism.

As all other archetypes, the technician is susceptible to corruption. For example, Taylor's scientific management eventually led to worker resistance, and Weber's ultra-rationalism gave rise to a large assortment of bureaupathologies. At worst, the technicians are guilty of philosophical myopia: a failure to understand the complexity of human nature, its intuitive and affective side, and its transrationality.

(I) The Poet: Poetry in this sense refers to the higher and deeper intuitions, to some sort of transrational grasp which can only partially, if at all, be expressed in the linear logic of ordinary language. The post 'carries to the fire,' makes things and men grow warm, and extends the reach of language (and hence thought, concept and rationality). In contrast to the technician, the poet is guided by the Good rather than the good. Type I value commitments and tend to be absolute and unassailable for the value-holder; in the ideal type they coexist with the normal codes previously outlined, subsuming and transcending them. The poet-administrator is not naive. His sophistication embraces the lower forms. In politics he may articulate the unspoken dreams of the masses and be charged with charisma, the mythic leader of historical moment and greatness. Charisma is a function of Type I commitment.

The poet's will is the justification of right and the determinant of good. In his mode of saint, whatever is right is good for him, and in his mode of superman whatever is good for him is right.

The attitude of the rational administrator towards the charismatic phenomenon is necessarily cautious. The record of history and experience is mixed and ambivalent. On the one hand the course of collective evolution is accelerated by the poet-leaders, on the other hand we collectively bear the scars of quantum excitations and great leaps forward that have failed.

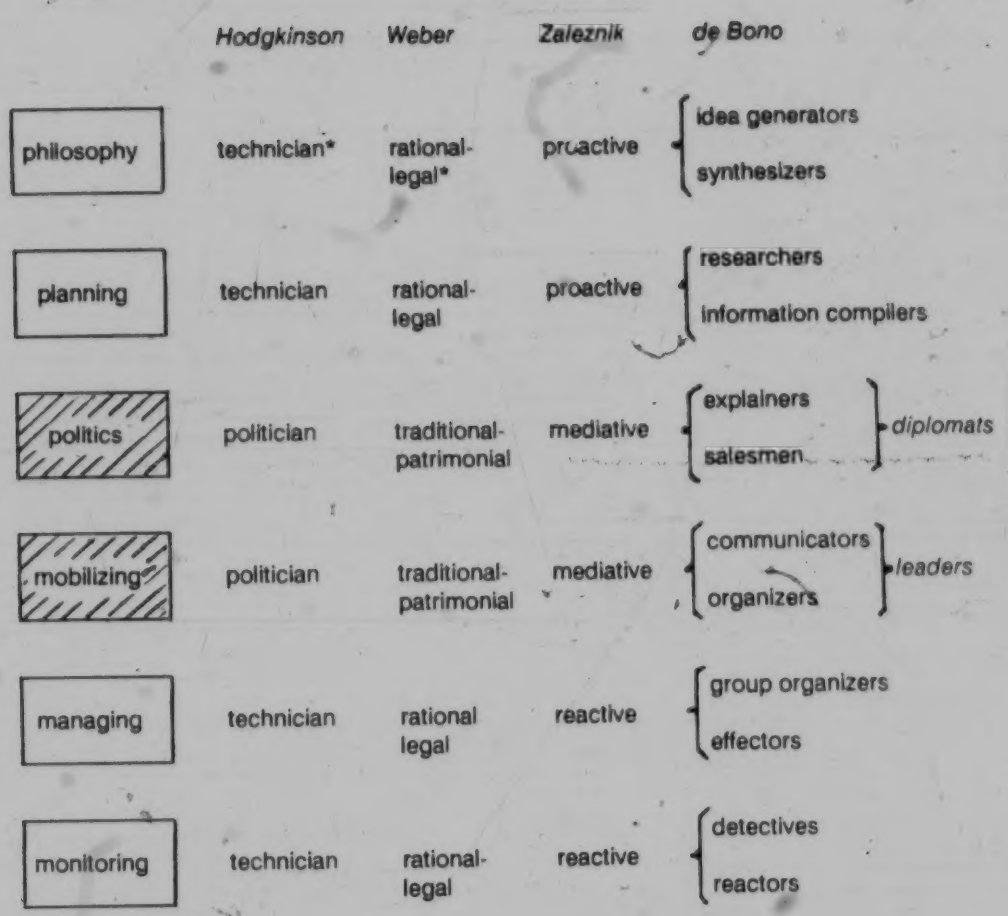
The poets represent the ultimate in leadership but they command by will, not reason. It is the administrative equivalent of 'Let justice be done though the heavens fall,' where justice is equivalent to the will of the poet.

The danger inherent in this archetype is that megalomania and poetry can merge in the archetype, that the charismatic administrator can lead to hell on a promise of heaven, and that

such types can so transmute their own career and self-interest so as to tap a domain of powerful and dangerous value which can bewitch and bemuse beyond mere reason. Adolf Hitler was certainly a poet--perhaps the greatest of our time--and, in the verdict of history, a poet whose values failed.

Another danger associated with the poet because of the essentially religious quality of the archetype is that the followers themselves tend to become as dangerous, to themselves and others, as their leader. They become invested with a quality of fanaticism or zealotry which can lead within their own ranks to internecine rivalries and, outside these ranks, to violence against the infidel. Why all this seems dangerous from the purely rational standpoint is because of the ability of the poet to create the true believer, the fanatic.

Based upon his basic taxonomy (Figure E.3), Hodgkinson proposed that the technician archetype would gravitate toward the management of ideas and things, while the politician archetype would gravitate to the management of people (1983:193). Figure 5.8 shows the arrangements of Hodgkinson's archetypes as well as categories designed by other authors.



*The careerist archetype is pervasive and can appear within any aspect of process. The poet archetype, when it appears, can also exert itself at each level of process. The same qualifications apply to the charismatic leader type.

Figure E.8

Hodgkinson's Archetypes and Other Leadership Patterns, and Administrative Processes

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APPENDIX F

REFLECTIONS OF THE PARTICIPANTS

REFLECTIONS OF THE PARTICIPANTS

The interviewees offered a number of personal observations, reflections and analyses of the events that took place during the development of MFP. Those reflections which contributed the additional information needed for the application of Hodgkinson's model were selected and organized into four broad categories: (1) internal and external environment; (2) communications; (3) reactions to MFP in the department; and (4) personal analysis of relationships within the Department, culture, and MFP.

Internal and External Environment

Generally it [MFP] was well received in principle by Government and by the MLAs, except when they got specific concerns from jurisdictions in their ridings--then they always want you to make an exception for their [school] jurisdiction.

If one had time, the aspect that was probably missing and had to be built-in on a catch-as-catch can basis later on, was the early involvement and participation of the interested client groups. This would have been useful because it would have probably gathered support for the direction that was taken.

A lot of the public never did get informed, and still isn't. I think MFP is about as meaningful as all the other ideas of the great beyond as far as teachers are concerned.

What we chopped out of MFP to sell it, to make it palatable, were also some of the factors that later gave us trouble. By saying we're going to make this very easy, we're going to give you money, and all of a sudden somebody starts saying 'wait a minute, how do we hook into this accountability?' . . . So the things we chopped out to sell it, you know: 'You guys don't have to do this, don't have to do that, you need just a check form, have a policy in place . . .' I think in the long term will cause us a little bit of pain yet.

The Department, I believe, stood to gain something in its leadership role and position [through MFP]. And clearly it was the Department that influenced Government to move in this direction. It wasn't the stakeholders that influenced the endorsement of this project. As any organization, the Department has individuals who have goals and aspirations with personal gain or productivity gain in mind whenever they implement a policy.

Internally, opposition to MFP was much more difficult to detect, because a lot of it stems from persons' vested interests in the organization. There were people still shaken up by the reorganization and there was some uncertainty in the organization to embark on a new venture.

With MFP the control points in the organization moved from Finance to Regional Offices, in many ways.

The attitude toward MFP was very positive at the top. At the lower levels, some uncertainty, some questioning occurred, because in effect we were introducing a different way of doing things. That, of course, would impact on the work that people did and how they did that work.

The style of the people who were implementing MFP was influenced by resistance points, and the path didn't run very straight. Reno's own style is that if a big issue comes up, we'll try to resolve it, we'll modify and somehow we'll get around it. So there is a global concept of MFP, a philosophical position, but it is being tempered and tampered with . . . by the resources you have at your disposal to implement what you want, and the resistance you meet.

I don't think the Regional Office evaluation forms are adequate. They've got some mickeymouse questions. I don't think it really gets down to evaluating the programs offered by school systems. Plus it doesn't carry through in some of the reporting. Just as an example, some of the ECS people did evaluations of some ECS programs. They recorded drastic deficiencies in some programs. Because of who the program operator was, the director of the Regional Office chose not to forward the report. So there is no good system, even internally, of reporting to the proper people. A director of a Regional Office should not have the authority to stop that kind of a report. It should have gone at least to the Assistant Deputy Minister untampered.

Communications

It isn't a Management and Finance Plan per se. It isn't like an architectural drawing. It's a management and finance concept, and we'd have probably called it that if we thought it would have been any more understandable. It really is a concept and I hope it will always be evolving. And when it stops evolving I think we should bury it. Because then it will be dead. Unless the whole system stops changing--which is unlikely.

There was a common error floating around, even in the Department, that the object of the plan was to decentralize. That's something that was never the case. The object of the plan was to focus upon the results of the product. And to do so effectively required that certain decisions be closer to the street. The decentralization that occurred was not because decentralization was the goal, but because that's where decisions could best be made.

I thought I understood the MFP process at that time, but things changed along the way considerably. I don't think the Coordinating Committee had any idea, I really don't. And I think that the changes that happened along the way are a good indication that there wasn't sufficient planning up-front.

The broad strokes, the MFP outcome was not significantly in opposition to the original notion. The details--I don't think the generators gave a damn about. I think Mr. King in a lot of his notions--while people got caught up in the details--hell, he had already moved off to some other part of the globe, and they were still struggling with it. I think the same thing with Reno, if some if these things wouldn't cause him little ripples, they would have long passed his mind too. But the fact is that he is tied into the bureaucracy, who are trying to have their own game plan, their own excesses--and I mean excesses--they get back to his attention.

People couldn't take the uncertainty. What is the top really thinking? Is there a master plan?

It was the Deputy's style of management to disrupt--to cause some change, to bring about some uncertainty.

One has to recognize the informal circle. Each of us was on various committees but when we got together for a beer, we would have a lot of discussion.

There were other key actors that were much more difficult to identify. Politically, there was an acceptance of MFP with some of our larger stakeholder groups. They were somehow involved in this process, but I don't know how the hell one puts a finger on these people.

I don't think the people from the start were indoctrinated sufficiently. They weren't on side. And again, that's probably because they didn't understand what the whole purpose was. So I think more time could have been spent there. Because once you have internal people on side, then you can go and sell it outside.

I am convinced, because of the nature of the reports I see now, that some of our people who sat on those committees never did make the philosophical jump. They took a strip and did that, sometimes begrudgingly, but nonetheless they do not have, in my view, even a minimal understanding of policy.

None of us really saw all of this tying together so nicely. Now I look at it and I develop charts and say 'look how nicely all this fits.'

No one had a clear idea of what the end product was going to be. We had a concept, and a concept does not include an identification of a clear product. The direction was clear, but the product wasn't. Of course, very few people are comfortable with indecision, when they don't know where the posts are. And this notion that you educate people to be comfortable with change is a pile of nonsense. All people are reluctant to abandon a philosophy to which they had been committed.

Reactions to MFP in the Department

He's set the overall policy direction and that's his role. The details are not really something that he's overly concerned with unless he finds that they're inconsistent or detracting in some way. I am not sure at different times that he really realized how extensive the repercussions were. And, at times, I am not convinced that they had to be that extensive.

To put it in street language, the change was to move from the regulatory type thinker who spells out the details to someone who says this is the direction we want to go, now you work within these parameters and define what it is you are going to do. At the best of times that's annoying to most people because they'll say 'Just tell me what I have to do. Tell me! Somebody should tell us!' And really, that would have been an inappropriate response because we were in a parameter setting business, as our own people should have been, and that ultimately is the approach to be taken to the practitioner. There was, on occasion, some recidivism exhibited here. They'd fall back to their so-called safe approach, which was very bitter at times to end it.

For example, that program director was completely beside himself. He did everything he could to stay away from MFP. At the discussions with the Vetting Committee he just had every excuse in the book--I'll never forget some of them--as to why they couldn't go to any of the concepts of MFP. And that's no discredit to him. He had a really good thing going--and he'd be a fool to disrupt that.

I think there certainly were accommodations made in the first phase that were, I suppose, reasonable because of the circumstances that we were in. There were some things that were decided that it simply wouldn't have been possible to change that quickly. I think there were some exceptions to the general principle of how we were going, like vocational education and community schools and a couple of other areas. And I think some of those were made for good reasons and some were made for not such good reasons.

I got concerned at several points that we were having policies and guidelines and procedures for every simple little thing, where surely we didn't need them. We could have just had discretion. It seemed like some of the policies are just substitutes for regulations. People really haven't changed in some cases their approach--they're just putting them [regulations] in different trappings and there's now security in having a policy there. So we now have to have a policy for everything that we do.

I think the Program Policy Manual was an attempt to undermine the finance area--by putting out too many program policies.

Decentralization of finance to ROEs was never in the original plan. Looking back, that was one of the stupidest decisions that's been made. That decision has helped overshadow what ROEs really should be doing, and that is, their program responsibility in monitoring and evaluation. But the big deal was taken as expenditure officer responsibility and finances--they thought there was going to be reclassification all over the place because they got all those finance responsibilities, so that was the first thing they grabbed onto. In fact, they [ROEs] attempted to get Senior Officer 1 classification for the finance positions out in ROEs. They haven't even achieved that, never mind anybody else getting reclassified.

So then it becomes difficult to separate out people who were just skilled in the concept [MFP] or skilled in the dynamics of the organization. People get credit sometimes for doing a particular activity when actually they are engaged in another sort of activity, or it's the old gardening trick. Somebody gives you the seeds and you may be fairly skilled in knowing how the hell to set them in the field.

The Senior Officials in the Department here, although there was a substantial difference in the understanding and the general level of conceptualization, nonetheless, it just wasn't fashionable not to be with it [MFP], largely because of the strong leadership of the Deputy, in this instance. And then the fact that a number of us were riding so high and we had a lot of momentum, that if any of us had tried to stand up and stop it [MFP], it would just roll over him. So they said 'we'd better go with it' and that's what happened.

Personal Analysis

The old rules of decision making and authority and of who's running the show around here and what do I understand about the Education culture, were seriously threatened. People didn't understand what the rules were anymore. For how many decades around this place you knew exactly what the rules were.

In recent months, in the past year, there have been so many retirements and prospective retirements, and with everything else going on in this Department--the culture is going to change dramatically within the next one or two years. There are people who have already retired this year who are functions of what I call the old boys' network.

MFP came on the heels of reorganization and a new Deputy Minister with different attitudes. The new organizational structure was largely led by people who had been around for a long time. Some of them weren't necessarily supportive of the new Deputy's philosophy. Others had other agendas to play but still had some debts owing to other people. Some had old allegiances and loyalties and therefore were afraid to accept the serious inexperience and some questionable competencies on the part of the new people to carry out their roles and responsibilities.

If the agendas had been clear, if they hadn't attempted to use MFP to change the organizational culture, maybe things could have been done in a different way. Or if they had done the organizational culture up front . . . but like I say, the culture change was a hidden agenda.

The confusion in people's minds was as much confusion in roles or expectations of individuals than it was in terms of new management structures. And it wasn't until some flesh was put on the policies, guidelines and procedures that people began to see where they fit in, in terms of their roles and responsibilities, and where the Department was heading. So there was little substance there--everything was conceptual model, an idea, a philosophy. And it got caught up in an attempt to change organizational structures and the way in which the Department operated.

So there was an up-front agenda and that was to change the focus of managing education in Alberta from the input-driven side to the process-and-output-driven model, and monitoring, feedback and evaluation of the system: a total system concept. There was another agenda and that was to attempt to affect the Department culture. There was a deliberate attempt to get people to work together in a different way than they were in the past. Like giving people from subordinate levels responsibilities to head up groups that included senior managers as their subordinates. That's very difficult for everybody and it created an awful lot of stress in the development process.

I don't know why particular individuals were selected. Whether it was because somebody was looking to see whether certain people were going to emerge as leaders . . . Because it was perceived in the Department throughout the reorganization--even at that early stage, that there was a succession problem in the Department, and that they were looking to see if people would emerge as leaders. If they could handle different organizational structures if they could handle new relationships, if they could handle a policy approach. At this point, I don't think it had anything to do with a commitment to a conceptual model.

APPENDIX G

CHRONOLOGICAL CHART OF MFP DEVELOPMENT

Date	Problem Sensing	Issues Definition	Conceptual Framework of Policy Space	Policy Deliberation	Resource Mobilization and Alignment	Policy Planning	Policy Structuring	Communications	Policy Vetting	Reporting	Pilot Study	Policy Feedback and Review (Assessment)	Policy Implementation Planning	Date
1981	1													1981
1982		2			3									1982
1983		4	4a											1983
		5												
		6												
Nov 15/83		7												Nov 15/83
Nov 28/83			8											Nov 28/83
Nov 29-Dec 5/83				9										Nov 29-Dec 5/83
Dec 5/83				10		11								Dec 5/83
Dec 10/83				12										Dec 10/83
Dec 14-21/83													13	Dec 14-21/83
Dec 21/83					14									Dec 21/83
Dec 22/83								15						Dec 22/83
Jan 10/84								16						Jan 10/84
Jan 11/84								17						Jan 11/84
Jan 12/84								18						Jan 12/84
Jan 13/84										19				Jan 13/84
Jan 15/84													20	Jan 15/84

The Development Process of MFP

Date	Problem Sensing	Issues Definition	Conceptual Framework of Policy Space	Policy Deliberation	Resource Mobilization and Alignment	Policy Planning	Policy Structuring	Communications	Policy Vetting	Reporting	Pilot Study	Policy Feedback and Review (Assessment)	Policy Implementation Planning	Date
Jan 19/84					21									Jan 19/84
Jan 20/84					22									Jan 20/84
Jan 24/84							23					24		Jan 24/84
Jan 30/84										25				Jan 30/84
Feb 6/84												26		Feb 6/84
Feb 9/84								27						Feb 9/84
Feb 13/84												28		Feb 13/84
Feb 14/84								29						Feb 14/84
Feb 15/84							30							Feb 15/84
Feb 16/84								31						Feb 16/84
Feb 23/84								32						Feb 23/84
Feb 24/84												34		Feb 24/84
Mar 1/84							33							Mar 1/84
Mar 5/84					35					36				Mar 5/84
Mar 8/84												37		Mar 8/84
Mar 9/84									39					Mar 9/84
Mar 15/84				38										Mar 15/84
Mar 16/84								40						Mar 16/84
Mar 19/84							41							Mar 19/84
										42		43		

Date	Problem Sensing	Issues Definition	Conceptual Framework of Policy Space	Policy Deliberation	Resource Mobilization and Alignment	Policy Planning	Policy Structuring	Communications	Policy Vetting	Reporting	Pilot Study	Policy Feedback and Review (Assessment)	Policy Implementation Planning	Date
Mar 22/84								44						Mar 22/84
Mar 29/84										45				Mar 29/84
Mar 30/84								46					47	Mar 30/84
Apr 2/84								48						Apr 2/84
Apr 4/84													49	Apr 4/84
Apr 23/84								50 51						Apr 23/84
May 22/84								52						May 22/84
Jun 4-8/84											53			June 4-8/84
Jun 30/84								54					55	Jun 30/84
Jul 15-Aug 15/84													56	Jul 15-Aug 15/84
Sep 1/84													57	Sep 1/84

Key:

1. School Grant Simplification and Deregulation Project (1981-84)
2. Program Deregulation (Regulatory Review)
3. Reorganization of Alberta Education
4. The Minister's Task Force on School Finance
4a. Deputy Minister develops megapolicy
5. Delegation of authority and responsibility
6. Grants and Claims Computer Subsystems Review
7. Special Education Alternative Funding Recommendations
8. ASTA Conference - first public discussion of megapolicy and metapolicy by Deputy Minister
9. Internal discussions, elaboration of conceptual framework, feasibility assessment

10. Working document - approved by Minister, received by Education Officials
11. Financial planning, budgeting, grants restructuring (December 5-21)
12. Tentative approval of MFP by Priorities Committee of Cabinet
13. Development of Coordinating Committee's work plan (December 14-21)
14. MFP committees' memberships finalized
15. Orientation meeting for MFP committee chairmen, directed by the Coordinating Committee
16. Departmental meeting: introduction of MFP to Alberta Education managers
17. Meetings with stakeholders - introducing MFP
18. News release re MFP
19. Coordinating Committee progress report to Education Officials
20. Budget implementation
21. Initial integrating meeting of MFP committee chairmen
22. Initial MFP linkage meeting of committee chairmen
23. First draft of policy manual (program committees)
24. Review of first draft of policy manual (January 24-27)
25. Coordinating Committee progress report
26. Review of provincial evaluation policies
27. Linkage meeting of MFP committee chairmen
28. Assessment of first draft of policy manual by Education Officials (February 13-22)
29. Informal Functional Committee integrating group
30. Second draft of policy manual
31. Edmonton ROE MFP information session
32. Linkage meeting of MFP chairmen
33. Functional Area Committee reports (policies governing overall operations of functional areas)
34. Assessment of second draft of policy manual by Education Officials (February 24 - March 24)
35. Reduction of MFP committee structure from 19 committees to 11
36. Coordinating Committee progress report
37. External Validating Group established (to review policy manual and Functional Area Committee reports)
38. Ministerial approval for provincial evaluation policies
39. Internal Vetting Committee established (to review policy manual and Functional Area Committee reports)
40. Coordinating Committee presentation at Edmonton ROE re MFP implementation
41. Third draft of policy manual
42. Coordinating Committee progress report
43. Independent review of MFP policies by Price Waterhouse
44. Lethbridge ROE MFP information session
45. Coordinating Committee progress report
46. Information sessions for stakeholder groups
47. ROE implementation plan--first draft
48. Grande Prairie ROE MFP information session
49. ROE MFP implementation inservice workshop
50. MFP public information package--first draft
51. ROE workshops--inservice on new policies (April 23 -May 11)
52. Public workshops by ROEs for school jurisdictions and interested groups (May 22 - June 30)
53. MFP field testing--in cooperation with CASS and ASBOA
54. Public information package released
55. New grant forms implemented
56. Final version of operational plan for MFP implementation (in the field)
57. Official implementation date (in the field)